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*Payment Systems – Next Orbit**

R. Gandhi

Good Morning everybody

I am very happy to be launching the Bharat QR Code.

The QR code development for card payments in India has happened at the most appropriate time; we are on the threshold of a digital payments 'moment' and 'movement'.

This is a momentous occasion for the payments industry in India with the launch of this global first of its kind, low cost, interoperable, mobile based acceptance solution. I would like to congratulate the payment networks for their enthusiastic collaboration to develop this solution. An innovative interoperable solution, the Bharat QR, that is easy to scale, and provides a seamless customer experience, and above all is safe and secure, essential to accelerating India's transition to a less–cash society. I am glad that India is setting yet another standard in the payment arena for others to adopt.

Since cards began to be used in the country in early 1980s, the industry has set up about 1.5 million Point Of Sale (POS) terminals. However, in comparison to the 800 million cards that have been issued as of now, the number of POS terminals in the country has not been really adequate. Among other factors, the high Capex and Opex associated with traditional POS terminals, have been the major deterrents to the expansion of POS infrastructure.

Gradually, with increasing mobile density in the country, many developments in the payments space have taken place using this channel, including m-POS on the merchant side. Now, QR code based systems leverage mobile usage on the consumer side as well. Being asset-light, they become easy to deploy. So, it is but natural that the two developments should come together to offer an efficient, secure and convenient experience for card payments.

What makes this development more momentous is that the card payment industry in the country has come together, of course at our direction, to make this process interoperable so that the users get the same experience of card payments – that is, interoperability.

No doubt, the visibility to QR code and its consequent widespread usage came from non-payments area first, followed by non-banks in payments area. These are mostly used by users within the same ecosystem and are not built on interoperable standards. However, we strongly felt that the time has arrived to consider some level of harmonisation in the use of QR-codes. Bharat QR Code has shown that it is possible!

Let me once again congratulate the industry and the team in the Reserve Bank for making this possible in such a coordinated and timely manner. I wish all success to the industry and suggest that this opportunity should be leveraged to spread digital payments acceptance infrastructure in the country quickly.

I would like to take this opportunity to discuss some contemporary thoughts on payment systems for it to go into its next orbit.

The Reserve Bank has been taking a studied stance with reference to bringing in changes to and in the payment systems. Periodically, it constituted various committees like the Rangarajan Committee I & II, Saraf Committee, Patil Committee, Burman Working Group, *etc.* to guide use of ICT for the benefit of banking in general and particularly the payment systems Further, from 1998 onwards, the Reserve Bank has been continuously bringing out a Payment System Vision document for every three years, enlisting the road map for implementation.

* Speech delivered by Shri R. Gandhi, Deputy Governor, Reserve Bank of India at the launch of Bharat QR Code at Hotel Trident, Mumbai on February 20, 2017. Assistance provided by Ms Nilima Ramteke and Ms C S Kar is gratefully acknowledged.

The latest one is for the period 2015-18. Improvement in the safety, security, soundness, efficiency and effectiveness of the payment systems has been the focus all along, besides expansion in use of various payment modes and ushering in various payment products and services. The Reserve Bank has played the crucial roles of an operator, developer, catalyst and facilitator, regulator and supervisor, as the occasion demanded.

While concluding an address (on Payment System – An Evolution, or a Revolution) to the students of Banaras Hindu University in October 2016, I had said "India has been enjoying a very healthy evolution of payment systems over the past thirty years. In looking back, we can easily admit that it had been a revolution, without so realising. This has been the result of the measured road maps periodically adopted by the Reserve Bank, in the initial years as a developer, and in later years as a catalyst and facilitator. Today our systems are not only comparable to any system anywhere in the world, our systems also do set standards and good practices for the world to follow. We remain vigilant for ensuring safety and soundness of the payment systems and are committed to customer safety and convenience".

In these six months, there have been heightened discussions on taking payment systems to further levels. Case in point is the Watal Committee deliberations and their recommendations. Also aiding this special attention has been the recent Demonetisation of the Specified Bank Notes of the high denomination of ₹500 and ₹1000 since November 9, 2016 and the consequent recognition of the need for speedy conversion to and adoption of digital payments.

In August 2016, the Government of India constituted a Committee under the Chairmanship of Shri Ratan Watal, Principal Adviser, NITI Ayog, to review the payment systems in the country and recommend appropriate measures for encouraging digital payments. The Committee studied the regulatory and legislative structure and recommended that the Payment and Settlement Systems Act 2007 should be amended to provide for improved regulatory governance, competition and innovation, consumer protection, open access, data protection and security, and graded penalties for offences.

One of the key recommendations is to form a Payment Regulatory Board under the PSS Act. The Committee said that the payments function should be independent of the central banking function of the Reserve Bank. This can be achieved by making the Board for Payment and Settlement Systems (BPSS) more independent by introducing members from outside the RBI. This new independent board is referred to as the Payment Regulatory Board (PRB). Government of India has accepted this recommendation and has followed it up with promoting an amendment to the PSS Act 2007 by including it as a part of the Finance Bill 2017.

For records, I may mention that the BPSS as it stands today does have eminent independent members with knowledge, experience and expertise in payment systems and information technology and operations. Hence, it is welcome to make this arrangement *de jure* in PRB.

Another recommendation is that the law should be amended to explicity cast responsibility on the regulator to promote competition and innovation in payment industry. The Committee says that the primary objectives of the PRB must include promotion of competition and innovation in the payments market. Though we do understand the spirit behind this recommendation, we differ the way in which it is sought to be achieved. For competition, there is a separate statue and authority associated. Enshrining it within PSS Act can lead to overlapping jurisdictions which can best be avoided. Likewise, if promoting innovation is to be hard coded in the Act, defining what would constitute "an innovation" would be difficult.

Yet another recommendation relates to data protection and consumer protection. We agree that data protection and consumer protection are essential. The role of the regulator and supervisor of payment systems is to ensure the safety, security and soundness of the systems and hence consumer protection is a very relevant objective. However, the concept of data protection is relevant much beyond the payment system; it should in fact encompass any digital data. Appropriately, this should be enshrined in Information Technology Act; otherwise, again there will be overlapping jurisdictions, which is best avoided.

The Committee observes that "banking as an activity is separate from payments, which is more of a technology business". I beg to differ. As I had said in my address at BHU, payments can be effected only in either of two ways – one you use cash to make payments and the other you transfer money in your bank account. There is no third method. Thus for the non-cash payments, the origination and ending places are banks only. Therefore, minus the banks, there is no non-cash payment instrument or system. Perhaps, what the Committee refers as 'payments' is actually 'remittances'. This view is further strengthened when they say, it is "more of a technology business". Yes, "Remittances" are today a technology business.

There is a misconception that non-bank entities are being discriminated against, as compared to banking entities. As regards the opening up of access to various systems and activities for non-bank entities, we have been opening up the space and allowing entry to non-bank entities. At origination, in between originating bank and destination bank and at the receiving end, there is no restriction for a non-bank entity to be present. Examples include the PPI issuers, BBPS operating units, TReDS, WLAs, payment aggregators, *etc.* There is an implied suggestion that this sector needs to be freed of licensing mechanism and once a set of criteria are fixed, any number of entities meeting those criteria should be allowed to function. We differ from this idea. Such a free entry may not be appropriate for 'payment industry'. We must remember that the payment service provider is 'entrusted' with money, and therefore "fit and proper" criterion is of utmost importance and consequently, "free entry" based on tick-box exercise will be a risky phenomenon.

Some people ask why a non-bank cannot be allowed to keep "accounts". They quote the success of mPesa, a non-bank entity in Kenya in ushering payment revolution in that country. Many mobile phone companies do feel they can offer "account" based payment service. Our answer is simple. If you maintain "an account", then you are a bank and you need a banking licence. When you keep the money of the public in "account", you are a financial entity taking deposits and you must be public trustworthy and so be regulated as a deposit taking financial entity.

Let me now explain what we intend to do to take the payment systems to the next orbit.

The Vision-2018 for Payment and Settlement Systems in India reiterates the commitment of the Reserve Bank of India to encourage greater use of electronic payments by all sections of society so as to achieve a "less-cash" society. The objective is to facilitate provision of a payment system for the future that combines the much-valued attributes of safety, security and universal reach with technological solutions which enable faster processing, enhanced convenience, and the extraction and use of valuable information that accompanies payments.

The broad contours of Vision-2018 revolve around the 5 Cs: • Coverage – by enabling wider access to a variety of electronic payment services • Convenience – by enhancing user experience through ease of use and of products and processes • Confidence – by promoting integrity of systems, security of operations and customer protection

• Convergence – by ensuring interoperability across service providers • Cost – by making services cost effective for users as well as service providers.

Vision-2018 focuses on four strategic initiatives *viz.*, responsive regulation, robust infrastructure, effective supervision and customer centricity. With the formation of PRB, the regulatory and supervisory structure will be strengthened. With the Unified Payments Interface (UPI), the National Unified USSD Platform (NUUP), the Aadhar Payment Bridge, Bharat QR etc we will have robust payment infrastructure. For customer centricity, we will be focusing on ensuring soundness of payment system products and services, cyber security, effective customer grievance redressal arrangements and preventive and punitive enforcement actions for omissions and commissions by the operators.

To conclude, the Reserve Bank remains committed to play a catalytic and facilitating role for enabling innovations in payment systems arena, while performing its responsibilities as a regulator and supervisor of payment systems for ensuring their safety, security and soundness, along with customer protection.

Thank you.

*FinTechs and Virtual Currency**

R. Gandhi

I am very glad that IBA, FICCI and NASSCOM are organising this Conference as a Platform for Innovation and Collaboration with Upcoming and Promising (PICUP) FinTech.

Technology and banking have a long close association. Both have been benefitted immensely by this association. Technological developments have been changing the way the banks and financial institutions and their customers interact. These developments have created opportunities for new entrants, not necessarily new bankers, to disrupt traditional business models and penetrate new markets. The plethora of technological products and services have helped emergence of FinTech companies who offer different ways of doing traditional services, that too in more efficient ways.

From the time the concept of money was understood, the concepts of lending and borrowing came into existence. However, the organised way of lending and borrowing happened when the prototypes of modern banks were established some 700 years ago. Banks undertook another service *i.e.*, the remittance service. The mega trends in the fields of Information and Communication Technology have redefined banking and banks. Actually it is not redefinition, but de-definition. Banking is no longer what a bank does; it is also what a non-bank does. Banks are no longer those entities who do banking exclusively; now others, the non-banks also do banking.

Chunking of banking is the norm; and for undertaking each of these chunks, there are some specialist entities who perform only those chunks. Payment service providers, P2P services, P2B services, SME financing, consumer retail financing, disintermediation, crowd funding, open ended mutual funds, money market mutual funds, deposit alternatives, trade financing, invoice financing, bill discounters, bill collectors, credit referrals, account aggregators, interest free products, syndicators, investment bankers, MFIs, co-ops, HFCs and credit rating agencies are some of the entities who chipped away chunk after chunk of banking. Is there an element of banking that remains the exclusive privilege of banks?

The chunking away of banking from the banks has given enormous business and growth for these non-banks. With their specialisation and focussed service rendering, they are able to offer that chosen service at greatest efficiency, speed and at very affordable cost to the consumers. When these specialised entities make innovative use of Information and Communications Technology (ICT) as their business model, they tend to be called the FinTech companies. There is another type of FinTech companies. They are those who develop innovative systems, products and solutions for use by those in the financial sector; they will not be in the business of rendering the financial services. These are primarily the R & D structure of FinTechs. I would think these are the real FinTech entities.

As a definition, FinTech is usually applied to the segment of the technology startup scene that is disrupting sectors such as mobile payments, money transfers, loans, fundraising and even asset management.

The term has become a buzz word in the last three years. It is changing the way funds are raised, used, lent, borrowed and remitted. It is impacting not just entrepreneurs and businesses, but also ordinary bank and financial customers. Not just that, the regulators across the world are sitting up and closely monitoring the developments with great interest. Standard setting bodies like the Financial Stability Board, the Basle Committee on Banking Supervision and others have

* Inaugural speech delivered by Shri R. Gandhi, Deputy Governor, Reserve Bank of India at the "FinTech Conference 2017" organised by FICCI, IBA and NASSCOM on March 1, 2017 at Hotel Trident, Nariman Point Mumbai.

formed special teams, working groups to examine the developments.

Why this enhanced interest in FinTechs? In my opinion it is because of two of the key FinTech innovations *viz.*, the Market Place Financing and the Blockchain.

Market Place Financing is also known as 'Crowd Funding' and generally refers to a method of funding a project or venture through small amounts of money raised from a large number of people, typically through a portal acting as an intermediary. There are numerous forms of crowd funding: some are charitable donations that provide no financial returns; others, such as equity crowd funding would fall within the domain of financial markets. Person to Person (P2P) lending is a form of crowd-funding used to raise loans which are paid back with interest.

Lot of people around the world is seeing the end of banking and financial intermediation because of this innovative Market Place Financing. Some advocate an early end to the traditional banks and financial institutions. This disruptive innovation has indeed caught the attention of many analysts, opinion makers and influential thinkers. They talk of bank-less economy or banks-free economy; as a consequent version thereof they dream of the death of regulators as well.

Likewise, the Blockchain Technology is also another disruptive innovation. The blockchain is an incorruptible digital ledger of economic transactions that can be programmed to record not just financial transactions but virtually everything of value. Blockchains are an open, distributed ledger that can record transactions between two parties efficiently and in a verifiable and permanent way.

Using this technology, certain innovative products which have come on the scene have excited a large section of people around the world. I am referring to the BitCoins phenomenon. The way the BitCoins have caught the imagination, generated interest, and gained value has led to some quarters predicting end of the currency system.

I suppose these predictions about death of banks and financial institutions, and also the currency have naturally aroused the curiosity at minimum and concerns among the regulators and central bankers around the world.

Innovations, admittedly, bring in positive changes in efficiency, productivity, quality, competitiveness, and market share, among other factors. However, as innovations usually result in paradigm shifts, they are typically disruptive. It takes effort and time to understand them. The associated dangers include untested effects, lack of clarity on long term effects, and can lead to misunderstanding and misusing the innovation. Innovations can sometimes be bad *per se*; sometimes even good innovations can be misused.

Innovations, which are by definition leveraging technology in unusual way, have the great potential to be disturbing the standard ways in which systems are operated. However, in that process while we do gain, it is not uncommon that these innovations do inflict pain on the society. Therefore, a careful analysis of the pros and cons, a thoughtful ring-fencing of risks, closer study on pilot basis before scaling up, fine-tuning based on feedback, etc are required before we adopt such innovations.

What are the downside risks of Market Place Financing and Blockchain technologies? Market Place Financing links the fund raiser/s and fund provider/s. Fine. That eliminates the need for a financial intermediary and therefore all the costs associated with that. However, who guarantees the good performance of the fund raiser/s and fund provider/s? Who will enforce the contractual obligations? When each of them is faceless to one another, and is at great distance, even beyond borders, the issue gets complicated. Therefore, Market Place Financing may not be suitable for large amounts. It is a received wisdom in finance that after the initial rounds of acceptances and successes, the moment the rounds increase and more number of people get attracted in geometrical progression the chain breaks and fails. You need an organised and a regulated entity to ensure that the innocent and weak parties are protected. Any democratic set up cannot dismiss it quoting 'Consenting Adult' argument. 'Consenting adult' argument cannot be presented when mass scale failure takes place.

I want to discuss a little more about the Blockchain or the distributed ledger technology and its professed capabilities to usher in virtual currency.

As regards death of currency, it is not a new subject. It has been predicted right from early 1950s. As you will recall, Isaac Asimov's Robot Series (1950s-80s) imagined a future where cash didn't exist; instead people earned "credits" that were traded electronically. In June 1991, the writers for Omni Magazine claimed "…cash and credit will soon be obsolete." In 1994, Joel Kurtzman in his book titled 'The death of Money' said *"Few people realise that money, in the traditional sense, has met its demise. Fewer still have paused to reflect on the implications of that fact."*

It was fashionable then to talk about the death of currency. People said "By 2020 most people will have embraced and fully adopted the use of smart-device swiping for purchases they make, nearly eliminating the need for cash or credit cards."

Has currency died? Is it dying? Or at least will it die? In all these years, you will find that currency has actually increased in absolute terms, not just in developing and emerging economies where penetration of banking and finance is not yet complete, but also in the developed economies where the penetration of banking and finance has been far larger. Countries are printing more and more of currency. Perhaps the Nordic countries are the exceptions.

Now cometh the Crypto Currency. People say, this time around currency will die. Some others say, it will be a close call; at least currency will be replaced by Virtual Currency.

The quest for anonymous and independent Digital Currency has been in the minds of researchers for quite some time. The Cypherpunks, as they were called, led by Timothy May of Intel and Eric Hughes in 1992 tried to develop privacy thru crypto logic. They endorsed a mistrust on the prevalent system of currency and boasted of an anarchist philosophy to find the anonymous and independent digital currency. Wei Dai in 1998 attempted to create what was called the B-Money, a money that could not be taxed or tracked. Nick Szabo attempted to create Bit-Gold which will be difficult to solve (mine) and so will have value; he tried to create a puzzle of solving cryptographic equation which was further refined by the hands of Satoshi Nakamoto in Bitcoins.

Voila! You now have a digital currency; not created by authorities; more and more people have accepted it. Bitcoins have acquired value; they are being used for settling varieties of economic transactions; people are using them as investments and store of value. So 'currency' is being eliminated.

Blockchain, the foundation for Bitcoins like innovations, is touted to be the death knell of currency. I believe its potential is being overstated. We can see that in these types of solutions for Virtual Currency, there is no central bank or monetary authority. They pose potential financial, operational, legal, customer protection and security related risks. VCs being in digital form are stored in digital / electronic media; are prone to losses arising out of hacking, loss of password, compromise of access credentials, malware attack, *etc.* Payments by VCs are on a peer-to-peer basis. No established framework for recourse to customer problems / disputes / charge backs, *etc.* is feasible. There is underlying or backing of any asset for VCs. Value seems to be a matter of speculation.

Legal status is definitely not there. While this is a purported objective of a VC, it puts a natural limit for its progression as I will explain in a moment. And finally, the usage of VCs for illicit and illegal activities has been reported as uncomfortably large.

My arguments against these VCs stem from two key elements *viz.*, Confidence and Anonymity. A 'currency' should be able to sustain these two elements for ever; it will impair its exalted status once, either of these elements gets affected. The 'confidence' in BitCoins or for that matter any virtual currency based on blockchain or any other technology is also limited to its initial rounds and circles only; the initial rounds are always filled with adventurists and risk seekers; the moment masses get in, the risk-avoiders get in, they will need greater 'confidence' for acceptance and that can come only if an 'authority' issues it. As regards 'anonymity', the blockchain technology apologists say it can be made very difficult to track; they say 'difficult to track', and that is not 'anonymity'. Therefore, it may remain a pipedream that blockchain will eliminate 'currency', by ushering in 'virtual currency'.

There is some realisation among the proponents of these FinTech innovations. They do see that exaggeration of capabilities of FinTech innovations can be bad for further developments in the area. In parallel thinking, the banks and financial institutions have also realised that there will be value in adopting or adapting the FinTech innovations for mutual and customer benefits. There is a movement to make use of Blockchain technology for Virtual Currency by the central banks themselves. Of course, this calls for lot of research. I am glad that IDRBT brought out a white paper on applications of Blockchain Technology for the banking and financial sectors in India. There are several such endeavours in the world. Hopefully, these will lead to usable solutions.

To conclude, FinTech companies are accelerating the pace of change and are reshaping the financial services industry radically. Financial service providers like banks are recognising the potentials of the FinTech. It is clear that the disruptive innovations of the FinTech cannot wholly eliminate or completely decimate the traditional banking or finance. However, I can see that there are immense ways in which the FinTechs and the banks and financial entities can collaborate to usher in the best value for the financial service customers.

I am sure this conference will provide the unique platform to all the stakeholders for creating potential opportunities for meeting grounds and build mutually benefiting partnerships.

*Improving investor interest – Recent Legislative and Regulatory Measures**

R. Gandhi

It is a well recognised fact that clear and efficient laws provide confidence to the investing community. Such investments can be by domestic entities or foreign entities or investment overseas by domestic entities. In the recent past, India has embarked upon a number of legislative and regulatory measures that are certain to create a positive impact on the investment climate prevailing in the country and capable of boosting the confidence of investors. A few such measures are also on the anvil. I would like to invite the attention of the audience to a few of them.

Insolvency and Bankruptcy Code, 2016

2. The recent enactment of a comprehensive legislation relating to insolvency of corporates, firms and individuals has been a much awaited move. The Insolvency and Bankruptcy Code, 2016 (IBC) lays down a resolution process that is time bound and undertaken by professionals. It creates an institutional mechanism for insolvency resolution process for businesses operated by companies, individuals or any other entities, either by coming up with a viable survival mechanism or by ensuring their prompt liquidation. The preamble to the Code makes clear the objective of the new law as one to consolidate and amend the laws relating to reorganisation and insolvency resolution of corporate persons, partnership firms and individuals in a time bound manner, for maximisation of value of assets of such persons to promote entrepreneurship, availability of credit and balance the interests of all the stakeholders.

3. Through this enactment, the Parliament has codified the laws governing insolvency and bankruptcy of both corporates and individuals, which were spread over a number of legislations. A key innovation of the new Code is its four pillars of institutional infrastructure comprising of Insolvency professionals, Information Utilities, Adjudicating Authorities (NCLT & DRT) and Insolvency and Bankruptcy Board of India.

The Financial Resolution and Deposit Insurance Bill, 2016 (Draft)

4. The IBC 2016 about which I spoke so far does not provide for resolution of the corporates providing financial services. The need for jurisdictions having a specialised resolution regime applicable to financial service providers has also been recognised internationally. Recently, a draft Bill for this purpose has been recommended by a working group constituted by the Central Government. This Bill aims to establish a framework to carry out the resolution of certain categories of financial service providers in distress, to provide deposit insurance to consumers of certain categories of financial services and for designation of Systemically Important Financial Institutions by the Central Government for resolution. The draft Bill on Financial Resolution and Deposit Insurance not only consolidates the resolution provisions presently scattered in different statutes, but also introduces new requirements like classification of financial service providers into various categories of risk to viability, submission of resolution / restoration plans, *etc.* and new methods for resolution, on the lines of prevalent international practices. It also proposes creation of a new specialised authority called the Resolution Corporation, which will be tasked with the responsibility of carrying out speedy and efficient resolution of financial service providers. The authority will also take over the deposit insurance activity presently undertaken by the DICGC. The overall mechanism contemplated under the Bill would certainly bring in more clarity as to the rights of investors in the event of resolution of the investee

* Keynote address delivered by Shri R. Gandhi, Deputy Governor, Reserve Bank of India on March 2, 2017 at the "Asia-Pacific Regional Meeting 2017" jointly organised by Link Legal India Law Services and Globalaw at Hotel Trident, Nariman Point, Mumbai. Assistance provided by Shri A Unnikrishnan, Shri J. K. Pandey and Ms. Rajani Prasad is gratefully acknowledged.

financial service provider and is expected to improve investor confidence in the Indian financial market.

Amendments to the SARFAESI Act and DRT Act

5. Slow pace of recovery of financial debts has been imposing considerable strain on the financial position of the lenders, thus raising concerns for any investor, existing or prospective, of such lenders. Specialised laws establishing Debt Recovery Tribunals (DRTs) and empowering secured creditors to enforce security interest without the intervention of court, have been in vogue for several years now. While, such mechanisms have definitely facilitated faster recovery, there can be no doubt that much more needs to be done. In this context, some of the changes made to those laws recently are worth mentioning. For instance, certain procedural improvements have been made with respect to the functioning of DRTs like (i) stricter time lines for filing of written statement, conclusion of hearings, *etc.* to expedite adjudication; (ii) filing of recovery application, documents and written statements in electronic form; and (iii) uniform procedure for conduct of proceedings. Further, specific provisions have been enacted in those laws to clarify regarding the priority of secured creditors over state dues.

6. Another important change brought about is enabling 'Debenture trustees' to approach DRTs to recover unpaid debts due under listed debt securities as well as to invoke the provisions of SARFAESI Act to enforce the security interest without the intervention of courts. These measures confer additional recovery avenues for the benefit of debenture holders.

Other Legislative Changes

7. Legislative changes have also attempted to improve the investment horizon in asset reconstruction companies (ARCs). The restriction which existed on a holding company sponsoring an ARC has since been removed. The sponsors of ARCs are now required to be only fit and proper as per the RBI guidelines. Further, apart from qualified buyers, non- institutional investors specified by the RBI could also invest in security receipts issued by ARCs.

8. Apart from the above, there were a number of legislative measures of substantial significance to the investor community. For instance, a Constitutional amendment was brought in the previous year for enabling a single Goods and Service Tax throughout the country. In the year 2015, Parliament passed the Arbitration and Conciliation (Amendment) Act providing for various changes to the arbitration laws, with a view to making arbitration quicker, reducing interference by courts and to make India a more attractive destination for foreign investors. In order to take forward and accelerate the agenda of the "Ease of Doing Business" and "Make in India", the Commercial Courts, Commercial Division and Commercial Appellate Division of the High Courts Act, 2015 was promulgated, which provides for the constitution of Commercial Courts and the establishment of Commercial Divisions and Commercial Appellate Divisions in the High Courts to adjudicate Commercial Disputes for achieving the motive of swift and speedy enforcement of contracts, recovery of monetary claims and compensation for damages suffered to increase investment and economic activity in our country. Other two notable legislative measures important from an investment perspective are Benami Transaction (Prohibition) Amendment Act, 2016 and Real Estate (Regulation and Development) Act, 2016. The Benami Transaction (Prohibition) Amendment Act, 2016 aims to control the menace of black money and its by-product Benami transactions, with the new stringent law and its effective implementation. The Real Estate (Regulation and Development) Act, 2016 (RERA) is designed to provide uniform regulation, protect consumer interests, help speedy adjudication of disputes, improve accountability of developers and boost transparency. It should help to make the Indian real estate sector more attractive for foreign and domestic investment.

Foreign Investment

9. Now, let me discuss some of the recent regulatory measures relating to foreign investment. In today's world, no country can be an island oblivious of the developments in the world around it. With globalisation and trade reforms, countries are globally integrated and have trade linkages with each other. Free trade enables lower prices for consumers, increased exports, benefits from economies of scale and a greater choice of goods. In developing nations, including India, free trade has increased the gap of Current Account Deficits as imports exceed exports. To bridge this deficit and also to bridge the gap between domestic savings and investments, India requires forex flows from overseas. These flows help India reach its economic potential by providing capital to finance new industries and enhance existing industries, boosting infrastructure, productivity, and employment opportunities in the process. In other words they aid development and fuel domestic growth. Inward flows can be in the form of debt, equity, deposits or personal remittances.

10. India continues to be among the top ten countries in terms of foreign direct investment (FDI) inflows globally and the fourth in developing Asia, as per the World Investment Report 2016 by the United Nations Conference for Trade and Development (UNCTAD). India also jumped 16 notches again to 39 among 144 countries in the World Economic Forum's Global Competitiveness Index 2016 that ranks countries on the basis of parameters such as institutions, macroeconomic environment, education, market size and infrastructure among others.

External Commercial Borrowings (ECB)

11. Considering the macroeconomic developments and the experience gained in administering ECBs over the years, a liberalised regime for debt capital was introduced through a four track approach for ECBs. The overarching principles of the revised framework are: (a) fewer restrictions on end-uses and higher all in cost ceilings; (b) expand the list of eligible lenders to include long term lenders like sovereign wealth funds, insurance companies and pension funds; (c) small negative list of end use restrictions; (d) nudge borrowers towards rupee denominated debt and (e) permit higher interest for long term foreign currency borrowings. Recognising the needs of the infrastructure sector, long term borrowing in foreign currency denominated ECB with a minimum average maturity of ten years has been permitted (subsequently reduced to five years in alignment with OECD requirements). Access to alternative sources of credit to eligible borrowers without its concomitant forex risks was made feasible with the introduction of masala bonds.

Foreign Direct Investment (FDI)

12. Foreign investment is one area which economies around the world look at with at most precision. Which sectors to open up to foreign funds, how much control to cede to foreign investors and what all clearances to mandate are some questions that pose challenges to most Governments. In India the policy on foreign investment is framed by the Central Government. On an annual basis, it issues a consolidated circular detailing the policy stance. The sectoral limits, approval routes and investment linked conditionalities are laid down in the policy stance. It also issues Press Notes as and when changes in the policy are proposed. Regulations are issued under the Foreign Exchange Management Act, 1999 (FEMA) to give a legal backing to these policies.

13. Investment can be received in the form of equity shares, compulsorily convertible preference shares (CCPS) and compulsorily convertible debentures (CCDs). These instruments can contain an optionality clause subject to a minimum lock-in period of one year but without any option or right to exit at an assured price.

14. The inflows on account of foreign investment was US$ 36.485 billion in the financial year 2015-16. In the recent past regulations on investments have

been liberalised to ensure increased flows. Following the revisions in the foreign direct investment (FDI) policy announced by the Government, the regulations have been amended so that wherever sectoral limits / caps on foreign investment are in place, such limits / caps are required to be reckoned within a composite manner aggregating both Foreign Direct Investment (FDI) and Foreign Portfolio Investment (FPI). In addition "control" and "ownership" have been defined for the purpose of arriving at the indirect foreign investment in an Indian company and guidelines have been issued for calculating the 'total foreign investment' to be taken as the sum total of direct and indirect foreign investments. Regulations have also been amended to simplify FDI linked conditionalities, increase sectoral caps and include certain sectors under automatic route. This liberalisation had a positive impact on sectors *viz.*, manufacturing, insurance, railway construction, defence, plantation, real estate business, e-commerce in single brand retail, *etc.* In addition, foreign investment in limited liability partnership (LLP) has been permitted under the automatic route for sectors where 100 per cent FDI is allowed without attendant FDI-linked performance conditionality.

Ease of Doing Business

15. Several steps have been initiated for facilitating the ease of doing business and contributing to an ecosystem that is conducive to the growth of start-ups. Accordingly, a dedicated mailbox was set up to provide assistance and guidance to the start-up sector. Further, online submission of Form A2 for outward remittances has been enabled. Certain transactions related to start-ups which were clarified / notified are as under: (i) issue of shares without cash payment through sweat equity was permitted provided that the scheme has been drawn either in terms of regulations issued by SEBI or the Government; (ii) issue of shares against legitimate payment owed by the investee company, remittance of which does not require permission of the Government or the Reserve Bank was permitted, (iii) start-up enterprises were permitted to collect payments on behalf of their subsidiaries abroad; (iv) companies have been permitted to have an escrow arrangement or paying the consideration on a deferred basis for an amount up to 25 per cent of the total consideration for a period not exceeding 18 months in respect of transfer of shares between a resident and non-resident; (v) startup companies were allowed to issue innovative FDI instruments like convertible notes and (vi) start-ups were permitted to access rupee loans under ECB framework with relaxations in respect of eligible lender, end-use and cost of borrowing, *etc.*

16. The move towards automation and use of technology for reporting and monitoring has been extended to Foreign Inward Investment and all FDI related returns have been replaced with online filing on the Government's e-Biz portal.

Non-Resident Indians Deposits (NRI Deposits)

17. India has always been a favored investment destination for its diaspora. The flows in the form of deposits (FCNRB and NRE) has been steady in the recent years. As on Dec 2016, the outstanding FCNR (B), NRE and NRO deposits were US$ 20.859, US$ 77.418 and US$ 11.458 billion, respectively. Flows in respect of personal remittances were US$ 44.083 billion and US$ 37.656 billion in the last two financial years.

18. To further facilitate the account holders, policies were changed to permit transfer across non-resident ordinary rupee (NRO) accounts. Further, NRIs and persons of Indian origin (PIOs) have been permitted to open NRO accounts jointly with other NRIs / PIOs. While permitting remittances outside the country from the balances held in NRO accounts maintained by NRIs and PIOs, ADs are now required to obtain a declaration that the remittances represent the account holder's legitimate receivables in India and do not represent any borrowing from any other person or transfer from any other NRO account.

Non-residents having a business interest in India can open a repatriable special non-resident rupee (SNRR) account with balances commensurate with business operations. An Indian company receiving foreign investment under the FDI route has been permitted to open and maintain a foreign currency account with an AD in India provided it has impending foreign currency expenditure. The account needs to be closed immediately after the requirements are completed or within six months from the date of opening of such account, whichever is earlier.

Overseas Investment

19. India's external sector management has gained strength over the last few years with a prudent and pragmatic approach to policy aimed at supporting India's inherently strong macroeconomic fundamentals, which has made India as one of the most attractive destination for foreign investors. At the same time, the growth in magnitude and spread (in terms of geography, nature and types of business activities) of overseas direct investment (ODI) from India reflect the increasing appetite and capacity of Indian business sector in availing the opportunities thrown up by the rapid globalisation. The robustness of direct investment flows – both inward as well as outward, serve as an indicator of the maturity and degree of integration of India in the global economy.

20. While the average of total Financial Commitments (FC) under ODI for 2014-15 and 2015-16 at around US$ 30 billion was lower than the average of preceding two years (US$ 40 billion), the outlook and potential for growth in outward FDI from India remain positive as seen by encouraging trend in proposals. Actual outflows, which are asynchronous with the Financial Commitment have also varied over the period.

21. Overseas investment provides an important gateway for domestic businesses to enter the global marketplace and in recent times, India has taken some significant steps to make its presence felt in the global arena. The increased ODI have also resulted into greater macro-economic co-operation between India and other countries, transfer of technology and skill, sharing of R&D and promotion of brand India.

22. At the same time, the increasing degree of uncertainty in a continuously changing, and in recent times- often a disruptively changing global business environment, also poses some challenges for Indian businesses with respect to their ODI.

23. The policy and regulatory approach has been to balance the need to pave the way for growth of Indian businesses to keep pace with the changing demands of businesses and improve the "ease of doing business" for Indian companies – with the need for managing the potential systemic risks- within the confines of the broad policy based on a calibrated approach to the management of capital account.

24. While the FEMA notification on outward FDI regulates all acquisition of overseas securities denominated in foreign currency, the focus is primarily to regulate acquisition / incorporation of overseas entities by the Indian corporates.

25. The broad approach has been to facilitate outward foreign direct investment by domestic companies through joint ventures and wholly owned subsidiaries up to 400 per cent of their net worth; restrictions apply only in respect of investments abroad in real estate and banking. Investment which is also termed as financial commitment can be in form of equity, loan, guarantee and raising funds through pledge of shares, domestic and overseas assets. Further, resident individuals are enabled to undertake outward FDI within LRS limit of US$ 250,000.

Current issues

26. During last one decade or so, cross-border businesses involving multi-layered structure of entities have been a common phenomenon. Such layered structure of entities may be a plain vanilla two-tier structure or a complex multi-layered structure. Further, some of the business models resulting in

inward FDI through the overseas entities established under ODI are posing major policy challenges including those pertaining to possible tax evasion, money laundering and round tripping.

27. The World Investment Report of United Nations Conference on Trade and Development (UNCTAD) has observed that tax avoidance practices by Multinational Enterprises (MNEs) are a global issue, relevant to all countries. Such structures are created, typically, based on either for transfer pricing reasons or for financing their subsidiaries. While these could be established for tax avoidance purposes, such structures often involve investments in offshore investment hubs as holding entities, through which further investments are made in the step down subsidiaries. Needless to say that even though the motivations range from genuine business / commercial considerations to taxation benefits which are available to any global investors, at times the underlying motive could be to create opacity through a labyrinth of structures for reasons unjustified which evokes concerns.

28. Treaty shopping and parking of capital and passive incomes in tax havens leads to erosion of the tax base of the countries. Concerns have been raised about the minimisation of tax burden by MNEs using legal arbitrage opportunities that arise out of gaps and frictions in the interactions of various domestic laws and / or tax treaties.

29. The international community has taken note of abusive tax practices employed by tax payers to create double non-taxation or taxation at low rates. Base Erosion and Profit Shifting (BEPS) have often been used as a tax avoidance strategy used by MNEs for shifting profits from high tax jurisdiction to low tax jurisdiction.

30. While efforts are on to further rationalise and simplify the extant regulations for undertaking ODI, it would achieve a meaningful impact after the aforementioned issues are resolved effectively.

Conclusion

31. To conclude, India, with its strong and modern legislative structure, effective legal systems, sound macroeconomic policies, adherence to responsible fiscal management, low and declining Current Account Deficit, stable monetary and financial sector management, robust economic growth prospects, remains an attractive proposition for FDI. India has also found its own niche in ODI. The policy environment is alive to the potential growth in investments, whether domestic, foreign or overseas and remains ready to make adjustments.

*Financing MSMEs: Banks & FinTechs – Competition, Collaboration or Competitive Collaboration?**

S. S. Mundra

Mr. Simon Bell, Global lead, SME Finance, World Bank Group; Smt. Surekha Marandi, Executive Director, Reserve Bank of India; Shri P. K. Panda, Principal, College of Agricultural Banking(CAB); Chairmen/CEOs of various banks present here; other senior officers from the banking sector; my colleagues from RBI; ladies and gentlemen! At the outset, let me congratulate CAB for organising this Seminar on the theme of "Coping with the challenges of Financial Technology Innovations in MSME Financing". I particularly take this opportunity to welcome Mr. Simon Bell to India and thank him profusely for consenting to address the participants this morning.

2. I think the seminar theme is very topical especially in the backdrop of a public policy push towards digitisation of finance in all its manifestations. MSME sector, which accounts for more than half of the world's gross domestic product (GDP) and employs almost two-thirds of the global work force, is virtually the backbone of the global economy. Hence, the sector needs to benefit from the FinTech innovations to keep the global growth engine chugging along.

3. The seminar theme precludes the discussion on **'whether'** and **'how'** financial technology innovations can be employed for financing of MSMEs and takes it as a given. Certainly to a large extent, financial technology (or FinTech[1]) innovations have permeated across the entire Financial Services Value Chain. So, whether it is wholesale banking, wholesale payments, retail and commercial banking, customer relationship or payment services, FinTech finds applications across the spectrum. What we are set to discuss today is, thus, only a segment of this value chain *i.e.*, use of FinTech for financing of MSMEs. Nevertheless, the challenges of financial technology innovations in finance would be generally common to the entire value chain.

4. In the context of MSME financing, I have been asked to speak on the topic **'A new business model for the next decade: collaboration with the FinTech companies'.** All of you would agree that technology has been in use in banking and more generally in the sphere of finance for quite some time now - whether it is use of computers for book-keeping, products like credit and debit cards or use of ATM for delivery of services *etc.*, all were FinTech innovations in their time. But when we talk of FinTech in today's context, we generally mean innovations which have enabled Big Data Analytics, Algorithmic trading and applications of Block Chain Technology and their variants. In my address today, I intend to focus on the financial technology innovations and emerging collaboration opportunities for the banks with FinTech players for MSME financing.

* Inaugural address delivered by Shri S. S. Mundra, Deputy Governor, Reserve Bank of India at the NAMCABS Seminar organised by College of Agricultural Banking in Mumbai on February 20, 2017. Assistance provided by Shri Sanjeev Prakash, Shri S. Mugunthan and Ms. Sudha Vishwanathan is gratefully acknowledged.

1 Financial Stability Board defines FinTech as technology-enabled financial innovation that could result in new business models, applications, processes or products with an associated material effect on financial markets and institutions and the provision of financial services.

Financial Technology Innovations in MSME Financing

5. With around 51.1 million units throughout the geographical expanse of the country, MSMEs contribute around 8 per cent of GDP, 40 per cent of the total exports and around 45 per cent of the manufacturing output[2]. They are also estimated to provide employment to around 120 million persons in the country. Moreover these figures may not be capturing contribution of MSMEs in services sector fully. As per the International Financial Corporation (IFC), a 'funding gap' of US$ 2.1 to 2.6 trillion exists for all formal and informal MSMEs in emerging markets alone, which is equivalent to 30 to 36 per cent of current outstanding MSME credit. SME lending being a hugely underserved market is a major opportunity for FinTech Start-ups to build and scale up sustainable businesses by offering services such as credit underwriting, marketplace lending, *etc.*

6. Given the huge business potential the number of FinTech companies in the MSME financing space has been growing rapidly. FinTech companies are improving access to finance for SMEs by giving loans themselves, connecting SMEs to banks and financial institutions (Marketplace Model) (*e.g.,* Lendingkart, smelending.com, *etc.*) or becoming financial product aggregators (*e.g.,* BankBazaar, bookmyforex.com, PolicyBazaar, FundsIndia.com, etc).

7. The FinTech companies have leveraged on growing technological advances and pervasiveness of smartphones and have targeted niches in SME lending to bridge the funding gap for small businesses with innovative and flexible credit products. Potentially, the MSME borrowers can apply online in minutes, select desired repayment terms and receive funds in their bank accounts within 2-3 days with minimal hassle. There are few documentation requirements, very quick turnaround time and flexible loan sizes and tenors. That the P2P lenders can become a significant source of finance for the small borrowers is evident from the UK example where the P2P lending represents about 14 per cent of the new lending to the SMEs.[3] A NESTA survey in the UK suggests that around 55-60 per cent of peer-to-peer business borrowers were either refused bank credit or they had not approached banks considering they were not credit worthy enough. Though, corresponding data is not available for India, I believe the position in respect of refusal of credit to potential borrowers may be more acute. FinTech lending companies and the market place based lending, thus, have an underlying potential to emerge as an alternative source of finance for the small businesses. Considering the need to strike a balance between regulation of these entities even while preserving their ability to innovate, the RBI is currently consulting on approach to regulate the P2P lending.

8. As I said earlier, the FinTech firms are powered by technologies that harness big data analytics & machine learning and use a mix of traditional and non-traditional methods to assess the credit worthiness of individuals and SMEs. These firms are also willing to lend to small businesses that might not have collateral, significant revenues or years of experience. Many of the FinTech firms abroad employ unorthodox

[2] http://msme.gov.in/sites/default/files/Background%20Note%20-%20UAM_0.pdf

[3] "The Promise of FinTech-Something new under the Sun?"- Speech delivered by Mark Carney, Governor, Bank of England at Deutsche Bundesbank G20 Conference in Wiesbaden.

techniques, including psychometric tests to run checks on their borrowers, determine their social media reputation and do rigorous due diligence before lending. This provides an inherent advantage to them over the traditional lenders in gauging the creditworthiness of the potential borrower/business.

9. With the combination of data and analytics, it is possible now to do credit risk analysis online, complete loan appraisal and disbursal faster. A key reason why algorithm-based automated lending by FinTech firms is possible today, unlike say 5-7 years ago, is the availability of reliable data on potential borrowers. On the back of strong growth in internet penetration and mobile density, e-commerce and smartphone-based services have created a huge amount of data on individuals and small businesses. The availability of records from credit bureaus, utility and credit card bill payments *etc.*, has enabled the FinTech firms to sift through large volume of available information and gather specific data on potential borrowers. As more and more data is getting digitised, the cost and effort involved in assessing the creditworthiness of SMEs would decline significantly. The borrowers can give their 'consent' to a FinTech lender or to a bank to use their digital footprint for sanctioning a loan. This is already evident in the pre-approved loans that are being offered to retail borrowers.

Why are we talking about bank's collaboration with FinTech companies?

10. FinTech companies as we have seen are disrupting every facet of the traditional financial services business and have emerged as a challenge to the banking system. According to a PwC 2016 Global FinTech Survey report, up to 28 per cent of the banking and payments business are at risk by 2020. The imminent competition to banks' business comes from the new breed of FinTech companies having capacities to address specific pain-points of financial customers such as remittance, credit, savings, *etc.* The report adds that MSME banking is likely to be the fourth largest sector to be disrupted by FinTech in the next 5 years after consumer banking, payments, and investment/wealth management. Another study[4] done by Citi researchers predicted that the FinTech revolution will wipe out nearly a third of all the employees at traditional banks in the next 10 years. This prediction is essentially about the lack of growth and loss of business over time, though it may be difficult at this juncture to accurately gauge the possibility of any particular benefit or risk materialising in the FinTech universe.

11. In view of the above challenges that the FinTech companies may present, it seems to make business sense for the brick and mortar banks to collaborate with the more efficient and agile FinTech players. The banks would need to assess the likely impact of disruption and re-orient their business models. As the incumbents, they may need to leverage their comparative advantage to improve their customer relationships, change their internal processes, mindset, and internal structures. Some banks have already adopted the ways of the FinTech companies by employing technology for making credit-decisions in a limited way. Many have started using credit scoring models for retail and SME borrowers. What still eludes them is the nimble-footedness of the FinTech players, which alienates the potential borrowers.

[4] http://svicenter.com/how-big-banks-are-embracing-the-FinTech-revolution-and-more-news

12. FinTech firms are good at innovative skills and mindsets supported by the regulatory freedom presently available to be innovative, to leverage Big Data and to be nimble in responding to market changes. However, as this segment grows in size, they would sure be coming under equivalent regulatory framework. Moreover, majority of them are venture capital supported entities, which can't exactly substitute a wide capital base. This is where the banks could capitalise on the FinTech ecosystem. The banks could as well leverage Big Data, data analytics, SME friendly applications, *etc.*, in effectively lending to MSME segment while remaining compliant with extant KYC norms and appraisal & monitoring principles and reduce their intermediation and compliance costs. Whether to do so inhouse or through a collaboration is a business judgement that individual banks need to make.

13. Despite some inherent advantages that the FinTech players enjoy, it is not a one way street for them. The FinTech companies do not have a big client base of their own and without the expertise to navigate the regulations and licensing discipline of the finance industry; they can't go very far on their own. A major strength that traditional banks possess is a reputation for trustworthiness built over several decades. The banks have capital and can weather intense competition. They also have the benefit of experience and tried-and-tested infrastructure alongside specific financial knowledge of risk management, local regulations and compliance. In fact, banks' on-the-ground market and customer knowledge and pre-existing client base can be of immense value to FinTech projects. In a nutshell, banks and FinTech firms have different comparative advantages and a strategic collaborative partnership between the two would liberate them to focus on their respective core competencies and contribute to the innovation process.

14. Let me now highlight few recent tech-enabled initiatives which have been blessed by the RBI for promoting accessibility of finance to the MSME sector.

Some RBI initiatives

15. The RBI has initiated measures to expand the reach of banking services for unbanked population, regulating an efficient electronic payment system and providing alternative options to the MSME sector. Before I conclude let me focus on couple of recent tech-based initiatives launched by the RBI for benefit of the MSME ecosystem.

(i) **TReDS:** In order to solve the problem of delayed payment to MSMEs, the RBI has licensed three entities for operating the Trade Receivables Discounting System (TReDS). The objective is to create Electronic Bill Factoring Exchanges which could electronically accept and settle bills so that MSMEs could encash their receivables without delay. The system would facilitate the financing of trade receivables of MSME enterprises from corporate and other buyers, including government departments and public sector undertakings (PSUs) through multiple financiers. It is expected that the TReDS will commence operations within this current fiscal.

(ii) An **Udyami Mitra portal** has been set up to leverage IT architecture of Stand-Up Mitra portal which aims at instilling ease of access to MSMEs' financial and non-financial service needs. The Portal, as a virtual market place endeavours to provide 'end to end' solutions not only for credit delivery but also for the host of credit-plus services by way of hand holding support, application tracking, multiple interface with stakeholders (*i.e.* banks, service providers, applicants).

(iii) **Payment Banks/ Small Finance Banks (SFBs):** Following the issuance of differentiated banking licenses, a number of such entities have become/will shortly become operational. These banks will have the advantage of embracing state of art technology from beginning. Payment banks can't lend directly but can be distributors of the credit products, while SFBs would predominantly be in MSME space. This throws open meaningful oppurtunities for emergence of two-way/three-way alliances between legacy bankers/new banking entrants & FinTech companies in the area of MSME financing. Key would be who develops a clear vision & moves fast.

Conclusion

16. Let me utilise the presence of the bank CEOs and in-charges of MSME divisions to draw their attention to the need for focussing separately on 'micro' customers from amongst the MSME segment. Micro entities comprise a very 'niche' segment as these are mostly individual or family run businesses having very unique credit needs. As they generally lack adequate documentation, they fail to receive credit from the formal financial system. An estimate suggests that at present almost 93 per cent of such units are outside the formal credit system. I think this segment, including the small enterprises, can benefit immensely from the collaboration between banks and the FinTech players whereby their other payment records can form a basis for working their credit worthiness.

17. A related aspect I want to highlight is that the smaller players in the MSME segment typically dealt in cash despite having a bank account. Thanks however to the withdrawal of the Specified Bank Notes (SBNs) recently, most of them have begun to route their transactions through their bank accounts. It opens up a huge opportunity for the banks to employ data mining techniques and utilise the outcomes to assess credit needs of the small entrepreneurs. Needless to add that such exercise has to be supplemented with financial literacy efforts – for ensuring that borrowers utilise the credit for productive purpose & also don't retreat to cash dealings.

18. In fact, my vision of a FinTech enabled banking system is one in which a micro entrepreneur receives an online bank credit early in the morning, which she utilises for buying her wares from the wholesale market, sells them during the day, receives payment from customers in electronic form (mobile money), pays back the bank loan at the end of the day and gets the surplus credited to her linked savings account. Part of this saving when pooled, automatically moves to some micro investment/pension products. I strongly feel that a harmonious collaboration between FinTech firms and the banks can quickly help realise this vision.

19. Let me conclude by reiterating that the age of FinTechs is here and for the incumbent banks there is no time to lose. The banks that do not quickly convert in to a new-age digital bank run the risk of becoming history. They would need to tap the requisite talent and create an environment where such talent can innovate and be agile. The banks must view the success of FinTech ecosystem as an opportunity and not as a threat.

I once again thank CAB for inviting me here and wish the Conference all success.

Thank you!

*Some Ways to Decisively Resolve Bank Stressed Assets**

Viral V. Acharya

Thank you to organisers of Indian Banks' Association for inviting me today. To all the Award winners, congratulations on your stellar achievements and the innovative spirit you have shown to be today's worthy recipients. Technology, "Fin Tech" as you say, is taking banking and intermediation into unchartered territories. I have yet to fathom the full import of these sweeping changes. In the meantime, my subject matter today will be more prosaic and somewhat sobering.

I wish to speak today, with a certain sense of urgency, about the need and possible ways to decisively resolve Indian banks' stressed assets.

Since the Reserve Bank of India (RBI) initiated the Asset Quality Review of banks in the second half of 2015, it appears that possibly up to a sixth of public sector banks' gross advances are stressed (non-performing, restructured or written-off), and a significant majority of these are in fact non-performing assets (NPAs). For banks in the worst shape, the share of assets under stress has approached or exceeded 20 per cent. This estimate of stressed assets has doubled from 2013 in terms of what had been recognised by banks. The doubling of stressed assets is the case also for private sector banks, but their ratio of stressed assets to gross advances is far lower and their capitalisation levels far greater. There have been several hints – in the declining price-to-book ratios of bank equity, as I had observed in an oped piece for the Mint in September 2013, and in the incisive research reports of banking sector analysts – that many assets "parked" by banks under the Corporate Debt Restructuring cell were severely stressed. These assets were deserving of advance capital provisioning against future recognition as NPAs.

The Asset Quality Review has taken a massive stride forward in bringing the scale of this problem out in the open and stirring a public debate about it. However, relatively little has been achieved in resolving the underlying assets to which banks had lent. Several resolution mechanisms and frameworks have been offered by the RBI to banks to get this going, but the progress has been painfully slow. Most of the assets remain laden with such high levels of bank debt that their interest coverage ratio is lower than one; they have little or no capacity to raise funding for working capital and capital expenditures, or to attract private investors to turn them around. Original promoters – who rarely put in any financing and primarily provide sweat equity – have had somewhat of a field day, facing limited dilution, if any, of their initial stakes nor much of a threat of being outright replaced.

There is a connection between these two outcomes – the lack of a comprehensive recognition of stressed assets by banks and the absence of any resolution. Both stem from the structure of incentives at our banks and the fact that stressed assets have been an outcome of excessive bank lending, *en masse*, in a relatively short period from 2009 to 2012, and to a concentrated set of large firms in a number of sectors such as infrastructure, power, telecom, metals (iron and steel, in particular), engineering-procurement-construction (EPC), and textiles.

* Speech delivered by Dr. Viral V. Acharya, Deputy Governor, Reserve Bank of India on February 21, 2017 at the Indian Banks' Association Banking Technology Conference, Hotel Trident, Nariman Point, Mumbai.

I am grateful to my colleagues and teams at the Reserve Bank of India for many stimulating discussions and insights, to many banking sector stalwarts of today and the past, and to several practitioners and policy-makers in sectors and institutions related to the resolution of bank stressed assets. All errors remain my own.

Let me first discuss the bank incentives. Only a bank that fears losing its deposit base or incurring the wrath of its shareholders is likely to recognise losses in a timely manner. In many of our banks, such market discipline is simply not present at the moment. In others, even if some such discipline is at work, banker horizon is excessively short until end of the CEO's term. Banks lobby for regulatory forbearance; perhaps some loan prospects have turned sour due to bad luck, but beyond a point, concessions in recognising losses just ends up being a strategy of kicking the can down the road and leaving them as legacy assets for the next management team to deal with.

The sectoral concentration of losses substantially amplifies this problem. Given the scale of assets that needs restructuring, it is natural that the turnaround capital at asset-restructuring companies (ARCs) has been limited in comparison. Some capital is simply sitting on the fence until serious asset restructuring picks up speed. In the meantime, any assets put up for sale can raise financing only at steep discounts, implying significant haircuts for bank debt. The loss of capital that would result on bank books and the fear of vigilance actions that such haircuts might trigger have made it almost impossible to get banks to embrace restructuring.

Effectively, there is no right price at which the market for stressed assets clears if left alone to private forces. Even with an orderly resolution mechanism such as the Insolvency and Bankruptcy Code in place, why would banks rush to file cases? In the unlikely scenario that assets are in fact being sold by banks to investors at steep discounts, ARCs may just asset-strip rather than do the economic turnaround. After all, these investors have waited far too long and now wish to generate quick returns to meet the expectations of their own investors.

All this is playing out to near perfection in our setting. Its consequences are pernicious.

At one end, public sector banks are running balance-sheets that seem to be in a perennial need of recapitalisation from its principal owner, *i.e.*, the government, and shying away from lending to potentially healthier industrial credits. Bank credit growth has been steadily declining at the stressed banks. Some private sector banks face such headwinds too.

At the other end, sectors with the most stressed assets have excess capacity relative to current or near-term utilisation and no sight of immediate pickup in economic prospects. Promoters have continued to operate, staying afloat with rollovers from banks which only increase indebtedness, partly disengaged, partly disgorging cash from the few assets that are running.

The end result has been a silent atrophy of the true potential of these assets.

This situation should be a cause for concern to all of us. It is reminiscent of weak banks and stagnating growth witnessed by Japan in the 1990s, with repercussions to date, and by Italy since 2010. Japan has experienced, and Italy, is in my opinion experiencing, a lost decade.

I believe we are at crossroads and have an important choice to make.

We can choose *status quo,* but this would be insanity, "doing the same thing over and over again and expecting different results," as Albert Einstein put it. It would risk a Japanese or an Italian style outcome.

Or we can choose to call a spade a spade as Scandinavia did to resolve its banking problems in the early 90's and the United States did from October 2008 to June 2009, even if only after letting a significant bank fail. Ireland and Spain, where the recoveries since the global financial crisis have not been as salubrious as in the United States, have nevertheless fared better than Italy; they too first adopted measures to pretend and extend troubled bank assets, but eventually recognised the scale of the problem and dealt with them in a decisive manner.

With our healthy current level of growth and future potential, with our hard-fought macroeconomic stability, with our youth climbing echelons of entrepreneurial success day after day, with our vast expanses of rural India that need infrastructure and modernisation, and with our levels of poverty that have steadily declined but still need substantial reduction, we simply don't as a society have any excuse or moral liberty to let the banking sector wounds fester and result in amputation of healthier parts of the economy.

How do we embark on a better path? I have been thinking hard of ways to swiftly resolve bank stressed assets. I have tried to draw on the analysis and documentation of similar episodes in economic history that I just alluded to, which in some cases I have had the good fortune to contribute to and learn from.

Let me mention the key principles to successful restructuring that I have managed to glean:

First, there has to be an incentive provided to banks to get on with it and restructure the stressed assets at a price that clears the market for these assets. If they don't do it in a timely manner, then the alternative should be costlier in terms of the price they receive.

Second, the ultimate focus of restructuring and of assessment as to whether the restructuring package being offered to the bank is at the "right" price must be the efficiency and viability of the restructured asset. Generating the best price for the bank at all costs may only result in cosmetic changes and risk serial non-performance of the assets.

Third, not all of the resulting bank losses should simply be footed by the government. As a majority shareholder of public sector banks, the government runs the risk of ending up paying for it all. It should manage the process at the outset to avoid that outcome. Wherever possible, private shareholders of banks should also be asked to chip in. Some surgical restructuring should be undertaken to consolidate and strengthen bank balance-sheets so that private capital will come in at better valuations. It might have to accept that it is best to let some banks shrink over time. Divestments should also be on the table. Historically, significant restructuring of stressed assets has almost always involved significant bank restructuring.

Let me now elaborate "a" plan that employs two different models for stressed assets resolution and recognises the concomitant need for bank resolution. I will provide the plan in detail to make the point that it can be done. What I enunciate should be viewed as an attempt to address all dimensions of the problem. Its individual parts are, however, not meant to be cherry-picked by or for the constituency favored by it. That would not work well.

So here it is.

1. **Model I: Private Asset Management Company (PAMC).** This plan would be suitable for sectors where the stress is such that assets are likely to have economic value in the short run, with moderate levels of debt forgiveness. I conjecture based on anecdotal observations that sectors such as Metals, EPC, Telecom, and Textiles, qualify for this.

    i. In terms of timeline, the banking sector will be asked to resolve and restructure, say its 50 largest stressed exposures in these sectors, by December 31, 2017.

The rest can follow a similar plan in six months thereafter.

ii. For each asset, turnaround specialists and private investors – other than affiliates of banks exposed to the asset – will be called upon to propose several resolution plans. Each resolution plan will lay out sustainable debt and debt-for-equity conversions for banks to facilitate the issuance of new equity and possibly some new debt to fund the investment needs. We may have to consider that the sustainable portion of bank debt does not have to be greater than some minimum amount, so as to allow for a large haircut if necessary for economic recovery of the asset. Each plan would lay out cash flow prospects, whether the promoter stays or not, and if yes, with what stake.

iii. Each resolution plan would then get vetted and rated by at least two credit rating agencies to assess the financial health (interest coverage ratio, leverage, *etc.*), economic health (sector, margins, *etc.*), and management quality (promoter or the new team). The rating would be for the asset and not just for bank debt in case additional debt is issued under the plan.

iv. Feasible plans would be those that improve the rating of the asset (presently likely to be "C" or "D") such that *minimum* of the two credit ratings is at or above a threshold level, *e.g.*, at least just below the investment-grade level. The intention is that the asset should not have a high likelihood of ending up in stress soon after restructuring. Therefore, bank debt forgiveness may have to be high enough and its converted equity stake low enough so that new investors can come in with a controlling stake and have incentives to turn the asset around.

v. Banks can then choose among the feasible plans. Coordination problems can be reduced by employing RBI's Central Repository for Information on Large Credits (CRILC) and requiring that all plans with 2/3rd approval by outstanding bank credit can proceed. The selected plan would simply be crammed down on any dissenting creditors.

vi. Haircuts taken by banks under a feasible plan would be required by government ruling as being acceptable by the vigilance authorities. Sustainable debt would be upgraded to standard status for all involved banks. The promoters, however, would have NO choice as to what restructuring plan is accepted, and may potentially get replaced and/or diluted, as per the preference of and depending on the price at which the new managing investors come in.

vii. At expiration of the timeline, each exposure that is not resolved will be subject to a steep sector-based haircut for the bank consortium, possibly close to 100 per cent. The promoter will automatically have to leave. These assets would be put into our new Insolvency and Bankruptcy Code regime. Alternately, they could be put up for sale to ARCs and private equity investors who can turn around the assets, levering them up with fresh finance, if necessary. If designed right, only the worst assets should end up in this scenario. However, the possibility of ending up here would serve as a credible off-equilibrium threat so that banks, even the most exposed ones, cannot hold up the restructuring.

There are ways to arrange and concentrate the management of these assets into a single or few private asset management companies (PAMCs), at the outset or right after restructuring plans are approved. These companies would resemble a large private-equity fund run by a team of professional asset managers. Besides bringing in their own capital, they could raise financing from investors against equity stakes in individual assets or in the fund as a whole, *i.e.*, in the portfolio of assets. The portfolio approach might help investors diversify risks on individual assets, improve valuations, and attract greater capital. Bank creditors can set up an oversight committee to ensure cash flows are flowing in and out of the asset restructuring company as per the security rights agreed in the restructuring plans.

Let me emphasise that under this model, the asset management company would be entirely private, like the "Phoenix" structure set up in Spain after 2012 to deal with bank NPAs in Machinery, Steel and Winery.

Let me now turn to

2. **Model II: The National Asset Management Company (NAMC).** This plan would be necessary for sectors where the problem is not just one of excess capacity but possibly also of economically unviable assets in the short- to medium-term. Take, for example, the power sector, where projects have been created to deliver aggregate capacity that is beyond the estimated peak utilisation anytime soon. Many of these are stalled as they have no fuel inputs and little or no income realisation due to lack of credible purchase agreements. Their scrap value is likely small and the only efficient use is as an ongoing concern. If input and output requirements are sorted out, and as power consumption needs rise, these projects could eventually provide value. For a country with per-capita consumption of electricity that is only one-third of the world average, it is reasonable to expect that a well-run power asset won't end up being a white elephant.

Unlike the first model (PAMC) where asset recovery is likely to be relatively quick, these assets may require a long time to start generating cash flows. In addition, the government should have incentives to clear approvals and purchase agreements to make them viable. For both these reasons, such assets would be best quarantined into a national asset management company (NAMC). The NAMC would perform several functions to get the ball rolling: raise debt, say government-guaranteed in part, for its financing needs; possibly raise some more to pay off banks at a haircut, likely steep but softened by payment in the form of security receipts against the asset's cash flows; keep a minority equity stake for the government; and, bring in asset managers such as ARCs and private equity to manage and turn around the assets, individually or as a portfolio. Infrastructure assets that are also long-lived and create externalities (development of townships, improvements in overall productivity, *etc.*) could be resolved in similar way.

These two models of asset restructuring – one private and the other quasi-government – share many common features with approaches that have been adopted for resolution of stressed assets in history: Sweden ("Securum" and "Retriva") in the early 1990's; in the United States in dealing with the Savings and Loans Crisis ("Resolution Trust Corporation"); in Japan (post-1998 via its Deposit Insurance Corporation); in Indonesia ("IBRA"), Malaysia ("Danaharta") and South Korea ("KAMCO") to deal with the South East Asian crisis; and more recently, in Ireland ("NAMA"), Spain ("Sareb"), and again the United States ("TARP" along with Fannie Mae, Freddie Mac and Federal Housing Administration). In fact, the European Banking Authority has proposed a similar structure to deal with the NPAs of European banks.

Before discussing what all this would imply for bank balance-sheets, let me pose and answer the question: Are these supposed to be "bad banks"? The answer is NO. While I have previously used the phrase "bad bank" for such ideas, over time I have come to dislike the title. A "bad bank" conveys the impression that this entity is to operate as a bank but has bad assets to start with. In fact, the idea is not to operate these entities as banks at all. Resolution agencies set up as banks that originate or guarantee lending have ended up being future reckless lenders, notably in the case of Germany which has often aggregated stressed assets of its *Landesbanken* into bad banks. I would argue this has also been the story of Fannie Mae and Freddie Mac with respect to housing booms and busts in the United States. It would be better to limit the objective of these asset management companies to orderly resolution of stressed assets with graceful exit thereafter; in other words, no mission creep over time to do anything else such as raise deposits, start a new lending portfolio, or help deliver social programs. It is essential to keep the business model of these entities simple to make them attractive for private investors with expertise for the main task on hand – asset restructuring.

A moment of reflection clarifies that under both models I proposed, bank balance-sheets would be freed up from the overhang of stressed assets and allowed to focus on their healthier activities. The catch is that given the haircuts involved, there will also be a need for decisive.

3. **Bank resolution.** We keep hearing clarion calls for more and more government funding for recapitalisation of our public sector banks. Clearly, more recapitalisation with government funds is essential. But few have suggested that the government should adopt measures to economise its total cost. It should ask in return from banks it recapitalises significant corrective actions, and wherever possible, injections of private capital for loss-sharing with the taxpayers. The expectation of government dole outs might have been set by the past practice of throwing more money after the bad. Take for instance our bank recapitalisation plan of 2008-09 after the global financial crisis: banks that experienced the worst outcomes received the most capital in a relative sense to get back to the regulatory capital norms. We must not allocate capital so poorly, recreate "Heads I Win, Tails the Taxpayer Loses"

incentives, and sow the seeds of another lending excess.

There are better ways to do it building upon some performance targets already set under the ongoing recapitalisation plan. Let me propose five options:

i. **Private capital raising:** The healthier public sector banks could have raised private capital by issuing deep discount rights in 2013, and some can still do so now. They must be required to do this to share the government's burden of recapitalising banks. It might be a good way to restore some market discipline and get their shareholders to more seriously care about bank board and management decisions.

ii. **Asset sales:** Some banks will have assets or loan portfolios that are in good enough shape to be sold in the market. Assets could be collected across banks and securitised into tranches that are credit-rated, potentially creating some investor demand for buying it at different levels of risk profiles. Such asset sales can generate some of the needed recapitalisation.

iii. **Mergers:** As many have pointed out, it is not clear we need so many public sector banks. The system will be better off if they are consolidated into fewer but healthier banks. After all, we do have cooperative banks and micro-finance institutions to provide community-level banking. So some banks can be merged, as a *quid pro quo* for timely government capital injection into the combined entity. It would offer the opportunity to rejig management responsibility away from those who have under-performed or dragged their feet the most. Synergies in lending activity and branch locations could be identified to economise on intermediation costs, allowing sales of real estate where branches are redundant. Voluntary retirement schemes (VRS) can be offered to manage headcount and usher in a younger, digitally-savvy talent pool into these banks.

iv. **Tough prompt corrective action:** Undercapitalised banks could be shown some tough love and be subjected to corrective action. Such action should entail no further growth in deposit base and lending. This will also restore some market discipline in deposit migration, away from the weakest public sector banks that have price to book equity (P/B) ratios of around 0.5 or lower, to healthier public sector banks (P/B ratios around 1) and private sector banks (P/B ratios of 1.5 to 4.5). The market has given its verdict as to where the growth potential in our banking sector lies and deposit growth should be allowed to reflect that.

v. **Divestments:** Undertaking these measures would improve overall banking sector health and market-to-book valuations, creating an opportune time for the government to divest some of its ownership of the restructured banks. This would also reduce the overall amount the government needs to inject.

There are many details to work out. But I hope this provides a start. It is going to require being balanced and creative, holistic and uncompromising, in achieving the end goal. Piece by piece approach with all discretion given to banks simply hasn't worked. Time is of the essence if we are to restore corporate investment and job creation.

Sustainable progress in an economy cannot occur when a set of players is allowed to hold up the efficient allocation of capital. Their owning a smaller share of assets can help unlock economic value; their hogging of these assets will only lead to further value-erosion.

I hope we can work together and collectively make the right choice.

Thank you for your kind attention

CURRENT STATISTICS

Select Economic Indicators

Reserve Bank of India

Money and Banking

Prices and Production

Government Accounts and Treasury Bills

Financial Markets

External Sector

Payment and Settlement Systems

Occasional Series

Contents

Notes: .. = Not available.
– = Nil/Negligible.
P = Preliminary/Provisional.   PR = Partially Revised.

No. 1: Select Economic Indicators

Item	2015-16	2015-16		2016-17	
		Q2	Q3	Q2	Q3
	1	2	3	4	5
1 Real Sector (% Change)					
1.1 GVA at Basic Prices	7.8	8.4	7.0	6.7	6.6
1.1.1 Agriculture	0.8	2.3	-2.2	3.8	6.0
1.1.2 Industry	10.3	10.3	12.0	5.6	8.0
1.1.3 Services	8.8	9.0	8.5	7.6	6.3
1.1a Final Consumption Expenditure	6.6	6.2	6.3	6.9	11.4
1.1b Gross Fixed Capital Formation	6.1	12.4	3.2	-5.3	3.5

	2015-16	2015	2016		2017
		Dec.	Jan.	Dec.	Jan.
	1	2	3	4	5
1.2 Index of Industrial Production	2.4	-0.9	-1.6	-0.4	-
2 Money and Banking (% Change)					
2.1 Scheduled Commercial Banks					
2.1.1 Deposits	9.3	10.2	10.5	15.7	13.2
2.1.2 Credit	10.9	10.6	11.1	6.0	4.7
2.1.2.1 Non-food Credit	10.9	10.7	11.3	6.2	4.7
2.1.3 Investment in Govt. Securities	5.4	10.6	8.4	33.5	28.1
2.2 Money Stock Measures					
2.2.1 Reserve Money (M0)	13.1	14.3	12.1	-29.6	-26.9
2.2.2 Broad Money (M3)	10.1	10.7	10.9	6.6	6.4
3 Ratios (%)					
3.1 Cash Reserve Ratio	4.00	4.00	4.00	4.00	4.00
3.2 Statutory Liquidity Ratio	21.50	21.50	21.50	20.75	20.50
3.3 Cash-Deposit Ratio	4.8	5.2	4.8	5.4	4.7
3.4 Credit-Deposit Ratio	77.7	76.5	76.4	70.1	70.6
3.5 Incremental Credit-Deposit Ratio	89.8	75.4	74.1	12.9	14.8
3.6 Investment-Deposit Ratio	28.1	29.4	29.4	33.9	33.2
3.7 Incremental Investment-Deposit Ratio	16.9	31.8	31.5	77.0	73.1
4 Interest Rates (%)					
4.1 Policy Repo Rate	6.75	6.75	6.75	6.25	6.25
4.2 Reverse Repo Rate	5.75	5.75	5.75	5.75	5.75
4.3 Marginal Standing Facility (MSF) Rate	7.75	7.75	7.75	6.75	6.75
4.4 Bank Rate	7.75	7.75	7.75	6.75	6.75
4.5 Base Rate	9.30/9.70	9.30/9.70	9.30/9.70	9.30/9.65	9.25/9.65
4.6 MCLR	-	-	-	8.7/9.0	7.8/8.2
4.7 Term Deposit Rate >1 Year	7.00/7.50	7.0/7.9	7.0/7.9	6.5/7.0	6.5/7.0
4.8 Savings Deposit Rate	4.00	4.00	4.00	4.00	4.00
4.9 Call Money Rate (Weighted Average)	7.35	6.76	6.89	6.12	5.98
4.10 91-Day Treasury Bill (Primary) Yield	7.27	7.23	7.31	6.27	6.23
4.11 182-Day Treasury Bill (Primary) Yield	7.17	7.25	7.23	6.35	6.22
4.12 364-Day Treasury Bill (Primary) Yield	7.11	7.25	7.21	6.34	6.25
4.13 10-Year Government Securities Yield	7.42	7.82	7.64	6.63	6.87
5 RBI Reference Rate and Forward Premia					
5.1 INR-US$ Spot Rate (₹ Per Foreign Currency)	66.33	66.20	67.88	67.95	68.20
5.2 INR-Euro Spot Rate (₹ Per Foreign Currency)	75.10	72.41	74.07	71.62	72.75
5.3 Forward Premia of US$ 1-month (%)	6.78	6.34	6.01	3.88	4.40
3-month (%)	6.63	6.22	6.36	4.15	4.84
6-month (%)	6.57	6.47	6.22	4.44	4.68
6 Inflation (%)					
6.1 All India Consumer Price Index	4.9	5.6	5.7	3.4	3.2
6.2 Consumer Price Index for Industrial Workers	5.6	6.3	5.9	2.2	1.9
6.3 Wholesale Price Index	-2.5	-1.1	-1.1	3.4	5.3
6.3.1 Primary Articles	0.2	4.6	4.3	0.3	1.3
6.3.2 Fuel and Power	-11.6	-9.2	-9.9	8.7	18.1
6.3.3 Manufactured Products	-1.1	-1.5	-1.2	3.7	4.0
7 Foreign Trade (% Change)					
7.1 Imports	-15.0	-3.5	-10.5	0.1	10.7
7.2 Exports	-15.5	-13.7	-13.2	5.5	4.3

Reserve Bank of India

No. 2: RBI - Liabilities and Assets *

(₹ Billion)

Item	As on the Last Friday/ Friday						
	2015-16	2016	2017				
		Feb.	Jan. 27	Feb. 3	Feb. 10	Feb. 17	Feb. 24
	1	2	3	4	5	6	7
1 Issue Department							
1.1 Liabilities							
1.1.1 Notes in Circulation	16,512.44	15,992.62	9,921.05	10,245.10	10,726.50	11,067.90	11,395.32
1.1.2 Notes held in Banking Department	0.16	0.15	0.16	0.15	0.14	0.13	0.14
1.1/1.2 Total Liabilities (Total Notes Issued) or Assets	**16,512.60**	**15,992.76**	**9,921.21**	**10,245.25**	**10,726.64**	**11,068.04**	**11,395.46**
1.2 Assets							
1.2.1 Gold Coin and Bullion	694.86	629.43	661.77	683.99	683.99	683.99	683.99
1.2.2 Foreign Securities	15,804.14	15,351.82	9,243.70	9,545.89	10,038.06	10,379.73	10,705.56
1.2.3 Rupee Coin	3.14	1.05	5.27	4.91	4.58	4.31	5.90
1.2.4 Government of India Rupee Securities	10.46	10.46	10.46	10.46	–	–	–
2 Banking Department							
2.1 Liabilities							
2.1.1 Deposits	6,481.57	5,619.79	13,044.62	12,734.44	12,308.58	11,928.84	11,603.68
2.1.1.1 Central Government	1.01	1.00	1.00	1.00	1.00	1.01	2.68
2.1.1.2 Market Stabilisation Scheme	–	–	3,922.70	2,977.26	1,982.65	1,485.64	1,485.64
2.1.1.3 State Governments	1.99	0.42	0.42	0.42	0.42	0.42	2.71
2.1.1.4 Scheduled Commercial Banks	3,906.19	3,862.50	4,341.85	4,376.77	4,347.60	4,282.35	4,354.03
2.1.1.5 Scheduled State Co-operative Banks	37.97	33.76	39.07	39.39	36.93	39.40	37.34
2.1.1.6 Non-Scheduled State Co-operative Banks	14.07	12.79	16.66	16.77	16.03	16.01	16.30
2.1.1.7 Other Banks	211.08	204.13	253.55	262.70	252.67	252.03	253.76
2.1.1.8 Others	2,309.26	1,505.18	4,469.36	5,060.12	5,671.28	5,851.98	5,451.22
2.1.2 Other Liabilities	9,627.82	9,836.11	9,603.41	9,420.09	9,225.07	9,242.06	9,162.55
2.1/2.2 Total Liabilities or Assets	**16,109.39**	**14,466.42**	**22,648.03**	**22,154.52**	**21,533.65**	**21,170.90**	**20,766.24**
2.2 Assets							
2.2.1 Notes and Coins	0.16	0.15	0.16	0.15	0.14	0.13	0.14
2.2.2 Balances held Abroad	6,553.25	7,156.95	14,154.91	13,634.34	12,966.13	12,658.14	12,264.29
2.2.3 Loans and Advances							
2.2.3.1 Central Government	–	–	–	–	–	–	–
2.2.3.2 State Governments	11.92	15.39	18.63	19.02	22.85	9.09	18.90
2.2.3.3 Scheduled Commercial Banks	2,465.69	1,774.63	132.00	130.65	164.91	128.35	103.25
2.2.3.4 Scheduled State Co-op.Banks	–	0.35	–	–	–	–	–
2.2.3.5 Industrial Dev. Bank of India	–	–	–	–	–	–	–
2.2.3.6 NABARD	–	–	–	–	–	–	–
2.2.3.7 EXIM Bank	–	–	–	–	–	–	–
2.2.3.8 Others	145.93	57.67	24.67	26.37	28.37	24.67	23.13
2.2.4 Bills Purchased and Discounted							
2.2.4.1 Internal	–	–	–	–	–	–	–
2.2.4.2 Government Treasury Bills	–	–	–	–	–	–	–
2.2.5 Investments	6,122.94	5,706.93	7,630.87	7,631.79	7,632.43	7,632.96	7,633.60
2.2.6 Other Assets	809.50	743.84	686.79	712.20	718.82	717.56	722.92
2.2.6.1 Gold	631.16	571.76	601.10	621.29	621.29	621.29	621.29

* Data are provisional.

No. 3: Liquidity Operations by RBI

(₹ Billion)

Date	Liquidity Adjustment Facility				MSF	Standing Liquidity Facilities	Market Stabilisation Scheme	OMO (Outright)		Net Injection (+)/ Absorption (-) (1+3+5+6+9-2-4-7-8)
	Repo	Reverse Repo	Variable Rate Repo	Variable Rate Reverse Repo				Sale	Purchase	
	1	2	3	4	5	6	7	8	9	10
Jan. 2, 2017	23.97	584.10	–	1,268.72	3.75	–	900.00	–	–	–2,725.10
Jan. 3, 2017	15.20	214.50	27.50	1,232.37	5.05	–1.00	–	–	–	–1,400.12
Jan. 4, 2017	14.00	83.99	–	1,065.32	9.25	1.00	500.00	–	–	–1,625.06
Jan. 5, 2017	14.00	54.28	–	582.11	6.50	–	500.00	–	–	–1,115.89
Jan. 6, 2017	23.13	108.30	38.00	650.63	12.35	–	–	–	–	–685.45
Jan. 7, 2017	44.00	31.92	–	–	–	–	–	–	–	12.08
Jan. 9, 2017	14.00	63.75	–	480.32	7.50	–	1,000.00	–	–	–1,522.57
Jan. 10, 2017	17.05	35.42	25.00	450.64	–	–	500.00	–	–	–944.01
Jan. 11, 2017	28.92	23.13	–	326.82	–	–	–	–	–	–321.03
Jan. 12, 2017	25.17	20.11	–	508.67	0.05	–	–	–	–	–503.56
Jan. 13, 2017	22.80	65.13	66.50	875.89	3.25	–	1,000.00	–	–	–1,848.47
Jan. 16, 2017	13.75	38.93	–	623.72	–	–	–	–	–	–648.90
Jan. 17, 2017	14.01	57.65	29.00	968.99	0.01	–	–	–	–	–983.62
Jan. 18, 2017	14.00	182.90	–	474.35	–	–	–	–	–	–643.25
Jan. 19, 2017	18.00	110.78	–	507.40	3.50	–	–	–	–	–596.68
Jan. 20, 2017	16.25	372.02	36.00	700.46	–	–	–	–	–	–1,020.23
Jan. 21, 2017	62.88	17.89	–	–	4.00	–	–	–	–	48.99
Jan. 23, 2017	14.00	78.14	–	901.58	–	–	–	–	–	–965.72
Jan. 24, 2017	14.00	51.52	30.00	942.49	2.50	–	–	–	–	–947.51
Jan. 25, 2017	15.10	31.08	–	752.66	1.50	–1.70	–	–	–	–768.84
Jan. 27, 2017	14.00	53.62	33.50	573.31	3.50	–	–	–	–	–575.93
Jan. 30, 2017	19.40	84.02	–	763.53	–	1.70	–	–	–	–826.45
Jan. 31, 2017	18.50	91.57	28.75	814.11	1.00	–	–	–	–	–857.43

No. 4: Sale/ Purchase of U.S. Dollar by the RBI

i) Operations in OTC segment

Item	2015-16	2016		2017
		Jan.	Dec.	Jan.
	1	2	3	4
1 Net Purchase/ Sale of Foreign Currency (US $ Million) (1.1–1.2)	10,209.00	–30.00	463.00	–414.00
1.1 Purchase (+)	63,299.00	3,240.00	4,997.00	1,335.00
1.2 Sale (–)	53,090.00	3,270.00	4,534.00	1,749.00
2 ₹ equivalent at contract rate (₹ Billion)	630.89	–4.97	34.89	–27.45
3 Cumulative (over end-March) (US $ Million)	10,209.00	8,864.00	8,037.00	7,623.00
(₹ Billion)	630.89	555.08	535.03	507.58
4 Outstanding Net Forward Sales (–)/ Purchase (+) at the end of month (US $ Million)	–4,253.00	–318.00	586.00	501.00

ii) Operations in currency futures segment

Item	2015-16	2016		2017
		Jan.	Dec.	Jan.
	1	2	3	4
1 Net Purchase/ Sale of Foreign Currency (US $ Million) (1.1–1.2)	0.00	0.00	582.00	438.00
1.1 Purchase (+)	9462.00	2,765.00	2,498.00	1,068.00
1.2 Sale (–)	9462.00	2,765.00	1,916.00	630.00
2 Outstanding Net Currency Futures Sales (–)/ Purchase (+) at the end of month (US $ Million)	0.00	0.00	–438.00	0.00

No. 4 A : Maturity Breakdown (by Residual Maturity) of Outstanding Forwards of RBI (US $ Million)

Item	As on January 31, 2017		
	Long (+)	Short (-)	Net (1-2)
	1	2	3
1. Upto 1 month	915	561	354
2. More than 1 month and upto 3 months	3,046	2,671	375
3. More than 3 months and upto 1 year	8,856	6,951	1,905
4. More than 1 year	0	2,133	-2,133
Total (1+2+3+4)	**12,817**	**12,316**	**501**

No. 5: RBI's Standing Facilities

(₹ Billion)

Item		As on the Last Reporting Friday						
	2015-16	2016					2017	
		Feb. 19	Sep. 30	Oct. 28	Nov. 25	Dec. 23	Jan. 20	Feb. 17
	1	2	3	4	5	6	7	8
1 MSF	0.1	21.5	1.8	0.7	4.8	4.2	–	–
2 Export Credit Refinance for Scheduled Banks								
2.1 Limit	–	–	–	–	–	–	–	–
2.2 Outstanding	–	–	–	–	–	–	–	–
3 Liquidity Facility for PDs								
3.1 Limit	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0
3.2 Outstanding	27.7	22.9	16.7	16.8	11.7	12.3	12.3	10.6
4 Others								
4.1 Limit	–	–	–	–	–	–	–	–
4.2 Outstanding	–	–	–	–	–	–	–	–
5 Total Outstanding (1+2.2+3.2+4.2)	27.8	44.4	18.4	17.5	16.4	16.4	12.3	10.6

Money and Banking

No. 6: Money Stock Measures

(₹ Billion)

Item	Outstanding as on March 31/last reporting Fridays of the month/reporting Fridays				
	2015-16	2016		2017	
		Jan. 22	Dec. 23	Jan. 6	Jan. 20
	1	2	3	4	5
1 Currency with the Public (1.1 + 1.2 + 1.3 – 1.4)	15,972.5	15,172.7	7,843.1	8,112.3	9,126.8
1.1 Notes in Circulation	16,415.6	15,656.2	9,185.9	8,734.0	9,628.7
1.2 Circulation of Rupee Coin	211.6	207.7	238.7	238.7	238.7
1.3 Circulation of Small Coins	7.4	7.4	7.4	7.4	7.4
1.4 Cash on Hand with Banks	662.1	698.6	1,589.0	867.9	748.1
2 Deposit Money of the Public	10,052.8	9,242.7	12,161.5	12,102.5	11,933.4
2.1 Demand Deposits with Banks	9,898.3	9,116.1	12,008.9	11,947.0	11,778.1
2.2 'Other' Deposits with Reserve Bank	154.5	126.6	152.6	155.5	155.3
3 M_1 (1 + 2)	**26,025.4**	**24,415.5**	**20,004.6**	**20,214.8**	**21,060.2**
4 Post Office Saving Bank Deposits	615.7	586.8	720.6	720.6	720.6
5 M_2 (3 + 4)	**26,641.1**	**25,002.2**	**20,725.2**	**20,935.4**	**21,780.7**
6 Time Deposits with Banks	90,150.8	89,787.7	100,501.9	101,237.3	100,500.8
7 M_3 (3 + 6)	**116,176.2**	**114,203.2**	**120,506.5**	**121,452.1**	**121,561.0**
8 Total Post Office Deposits	2,084.1	2,006.9	2,277.9	2,277.9	2,277.9
9 M_4 (7 + 8)	**118,260.3**	**116,210.0**	**122,784.3**	**123,730.0**	**123,838.9**

No. 7: Sources of Money Stock (M_3)

(₹ Billion)

Sources	Outstanding as on March 31/last reporting Fridays of the month/reporting Fridays				
	2015-16	2016		2017	
		Jan. 22	Dec. 23	Jan. 6	Jan. 20
	1	2	3	4	5
1 Net Bank Credit to Government	**32,384.8**	**32,925.0**	**38,155.2**	**38,610.3**	**39,293.5**
1.1 RBI's net credit to Government (1.1.1–1.1.2)	4,250.0	4,086.7	36.6	191.6	1,390.8
1.1.1 Claims on Government	6,167.0	5,585.1	7,788.8	7,648.9	7,642.4
1.1.1.1 Central Government	6,162.2	5,580.3	7,751.8	7,622.4	7,623.1
1.1.1.2 State Governments	4.8	4.9	36.9	26.5	19.3
1.1.2 Government deposits with RBI	1,917.0	1,498.5	7,752.1	7,457.3	6,251.6
1.1.2.1 Central Government	1,916.6	1,498.1	7,751.7	7,456.9	6,251.2
1.1.2.2 State Governments	0.4	0.4	0.4	0.4	0.4
1.2 Other Banks' Credit to Government	28,134.9	28,838.3	38,118.6	38,418.7	37,902.6
2 Bank Credit to Commercial Sector	**78,030.7**	**76,065.9**	**78,959.7**	**79,609.1**	**79,671.6**
2.1 RBI's credit to commercial sector	200.8	69.6	54.4	49.4	49.4
2.2 Other banks' credit to commercial sector	77,829.9	75,996.3	78,905.4	79,559.7	79,622.2
2.2.1 Bank credit by commercial banks	72,496.1	70,566.8	73,480.6	74,134.2	74,177.8
2.2.2 Bank credit by co-operative banks	5,285.3	5,379.9	5,367.6	5,384.3	5,389.8
2.2.3 Investments by commercial and co-operative banks in other securities	48.4	49.6	57.2	41.2	54.6
3 Net Foreign Exchange Assets of Banking Sector (3.1 + 3.2)	**25,337.2**	**24,415.9**	**26,314.5**	**26,288.1**	**26,444.1**
3.1 RBI's net foreign exchange assets (3.1.1–3.1.2)	23,834.8	23,343.6	24,437.2	24,410.9	24,566.9
3.1.1 Gross foreign assets	23,836.8	23,343.9	24,439.2	24,412.9	24,568.9
3.1.2 Foreign liabilities	2.0	0.3	2.0	2.0	2.0
3.2 Other banks' net foreign exchange assets	1,502.5	1,072.3	1,877.3	1,877.3	1,877.3
4 Government's Currency Liabilities to the Public	**219.1**	**215.1**	**246.2**	**246.2**	**246.2**
5 Banking Sector's Net Non-monetary Liabilities	**19,795.6**	**19,418.8**	**23,169.1**	**23,301.6**	**24,094.3**
5.1 Net non-monetary liabilities of RBI	9,541.7	9,217.6	9,469.5	9,299.6	9,482.7
5.2 Net non-monetary liabilities of other banks (residual)	10,253.9	10,201.2	13,699.6	14,002.0	14,611.6
M_3 (1+2+3+4–5)	**116,176.2**	**114,203.2**	**120,506.5**	**121,452.1**	**121,561.0**

No. 8: Monetary Survey

(₹ Billion)

Item	Outstanding as on March 31/last reporting Fridays of the month/reporting Fridays				
	2015-16	2016		2017	
		Jan. 22	Dec. 23	Jan. 6	Jan. 20
	1	2	3	4	5
Monetary Aggregates					
NM_1 (1.1 + 1.2.1+1.3)	26,025.4	24,415.5	20,004.6	20,214.8	21,060.2
NM_2 (NM_1+ 1.2.2.1)	65,238.9	63,442.5	64,580.0	65,126.2	65,636.0
NM_3 (NM_2 + 1.2.2.2 + 1.4 = 2.1 + 2.2 + 2.3 – 2.4 – 2.5)	116,156.4	114,021.1	122,462.4	123,239.4	123,398.4
1 Components					
1.1 Currency with the Public	15,972.5	15,172.7	7,843.1	8,112.3	9,126.8
1.2 Aggregate Deposits of Residents	97,039.6	95,842.9	111,065.2	111,750.1	110,835.4
1.2.1 Demand Deposits	9,898.3	9,116.1	12,008.9	11,947.0	11,778.1
1.2.2 Time Deposits of Residents	87,141.2	86,726.7	99,056.3	99,803.0	99,057.3
1.2.2.1 Short-term Time Deposits	39,213.5	39,027.0	44,575.3	44,911.4	44,575.8
1.2.2.1.1 Certificates of Deposit (CDs)	2,068.2	2,235.3	1,479.4	1,452.9	1,505.4
1.2.2.2 Long-term Time Deposits	47,927.7	47,699.7	54,480.9	54,891.7	54,481.5
1.3 'Other' Deposits with RBI	154.5	126.6	152.6	155.5	155.3
1.4 Call/Term Funding from Financial Institutions	2,989.8	2,878.9	3,401.5	3,221.6	3,280.9
2 Sources					
2.1 Domestic Credit	115,922.7	114,421.4	123,795.3	124,958.2	125,622.4
2.1.1 Net Bank Credit to the Government	32,384.8	32,925.0	38,155.2	38,610.3	39,293.5
2.1.1.1 Net RBI credit to the Government	4,250.0	4,086.7	36.6	191.6	1,390.8
2.1.1.2 Credit to the Government by the Banking System	28,134.9	28,838.3	38,118.6	38,418.7	37,902.6
2.1.2 Bank Credit to the Commercial Sector	83,537.9	81,496.4	85,640.1	86,347.9	86,328.9
2.1.2.1 RBI Credit to the Commercial Sector	200.8	69.6	54.4	49.4	49.4
2.1.2.2 Credit to the Commercial Sector by the Banking System	83,337.0	81,426.8	85,585.8	86,298.6	86,279.5
2.1.2.2.1 Other Investments (Non-SLR Securities)	5,412.0	5,372.9	6,587.5	6,653.7	6,578.0
2.2 Government's Currency Liabilities to the Public	219.1	215.1	246.2	246.2	246.2
2.3 Net Foreign Exchange Assets of the Banking Sector	21,586.9	20,495.4	23,353.3	23,230.9	23,439.1
2.3.1 Net Foreign Exchange Assets of the RBI	23,834.8	23,343.6	24,437.2	24,410.9	24,566.9
2.3.2 Net Foreign Currency Assets of the Banking System	–2,247.8	–2,848.2	–1,083.9	–1,180.0	–1,127.7
2.4 Capital Account	18,310.9	18,260.3	18,883.2	18,867.3	19,081.9
2.5 Other items (net)	3,261.5	2,850.5	6,049.2	6,328.5	6,827.3

No. 9: Liquidity Aggregates

(₹ Billion)

Aggregates	2015-16	2016			2017
		Jan.	Nov.	Dec.	Jan.
	1	2	3	4	5
1 NM_3	**116,156.4**	**114,021.1**	**123,230.5**	**122,462.4**	**123,398.4**
2 Postal Deposits	2,084.1	2,006.9	2,277.9	2,277.9	2,277.9
3 L_1 (1 + 2)	**118,240.5**	**116,028.0**	**125,508.4**	**124,740.3**	**125,676.2**
4 Liabilities of Financial Institutions	29.3	29.3	29.3	29.3	29.3
4.1 Term Money Borrowings	26.6	26.6	26.6	26.6	26.6
4.2 Certificates of Deposit	0.3	0.3	0.3	0.3	0.3
4.3 Term Deposits	2.5	2.5	2.5	2.5	2.5
5 L_2 (3 + 4)	**118,269.8**	**116,057.3**	**125,537.7**	**124,769.6**	**125,705.5**
6 Public Deposits with Non-Banking Financial Companies	394.7	..	..	451.5	..
7 L_3 (5 + 6)	**118,664.5**	..	..	**125,221.0**	..

No. 10: Reserve Bank of India Survey

(₹ Billion)

Item	Outstanding as on March 31/last reporting Fridays of the month/reporting Fridays				
	2015-16	2016		2017	
		Jan. 22	Dec. 23	Jan. 6	Jan. 20
	1	2	3	4	5
1 Components					
1.1 Currency in Circulation	16,634.6	15,871.3	9,432.1	8,980.2	9,874.8
1.2 Bankers' Deposits with the RBI	5,018.3	4,055.6	4,622.7	4,618.7	4,629.8
1.2.1 Scheduled Commercial Banks	4,738.7	3,807.9	4,311.6	4,304.3	4,320.0
1.3 'Other' Deposits with the RBI	154.5	126.6	152.6	155.5	155.3
Reserve Money (1.1 + 1.2 + 1.3 = 2.1 + 2.2 + 2.3 – 2.4 – 2.5)	21,807.4	20,053.5	14,207.4	13,754.3	14,659.9
2 Sources					
2.1 RBI's Domestic Credit	7,295.3	5,712.4	-1,006.5	-1,603.2	-670.5
2.1.1 Net RBI credit to the Government	4,250.0	4,086.7	36.6	191.6	1,390.8
2.1.1.1 Net RBI credit to the Central Government (2.1.1.1.1 + 2.1.1.1.2 + 2.1.1.1.3 + 2.1.1.1.4 – 2.1.1.1.5)	4,245.6	4,082.2	0.1	165.5	1,372.0
2.1.1.1.1 Loans and Advances to the Central Government	–	–	–	–	–
2.1.1.1.2 Investments in Treasury Bills	–	–	–	–	–
2.1.1.1.3 Investments in dated Government Securities	6,159.5	5,578.8	7,744.6	7,616.2	7,617.6
2.1.1.1.3.1 Central Government Securities	6,149.0	5,568.4	7,734.2	7,605.7	7,607.2
2.1.1.1.4 Rupee Coins	2.8	1.5	7.2	6.2	5.5
2.1.1.1.5 Deposits of the Central Government	1,916.6	1,498.1	7,751.7	7,456.9	6,251.2
2.1.1.2 Net RBI credit to State Governments	4.3	4.4	36.5	26.1	18.9
2.1.2 RBI's Claims on Banks	2,844.5	1,556.1	-1,097.5	-1,844.1	-2,110.7
2.1.2.1 Loans and Advances to Scheduled Commercial Banks	2,844.5	1,555.8	-1,097.5	-1,844.1	-2,110.7
2.1.3 RBI's Credit to Commercial Sector	200.8	69.6	54.4	49.4	49.4
2.1.3.1 Loans and Advances to Primary Dealers	27.0	22.3	12.3	12.3	12.3
2.1.3.2 Loans and Advances to NABARD	–	–	–	–	–
2.2 Government's Currency Liabilities to the Public	219.1	215.1	246.2	246.2	246.2
2.3 Net Foreign Exchange Assets of the RBI	23,834.8	23,343.6	24,437.2	24,410.9	24,566.9
2.3.1 Gold	1,334.3	1,143.5	1,369.4	1,262.9	1,262.9
2.3.2 Foreign Currency Assets	22,500.6	22,200.3	23,068.0	23,148.2	23,304.2
2.4 Capital Account	8,728.0	8,636.9	8,443.9	8,413.7	8,569.9
2.5 Other Items (net)	813.7	580.8	1,025.6	885.9	912.7

No. 11: Reserve Money - Components and Sources

(₹ Billion)

Item	Outstanding as on March 31/ last Fridays of the month/ Fridays						
	2015-16	2016		2017			
		Jan. 29	Dec. 30	Jan. 6	Jan. 13	Jan. 20	Jan. 27
	1	2	3	4	5	6	7
Reserve Money (1.1 + 1.2 + 1.3 = 2.1 + 2.2 + 2.3 + 2.4 + 2.5 – 2.6)	21,807.4	20,055.8	14,355.7	13,754.3	14,369.1	14,659.9	14,971.7
1 Components							
1.1 Currency in Circulation	16,634.6	15,841.8	9,383.8	8,980.2	9,508.0	9,874.8	10,167.2
1.2 Bankers' Deposits with RBI	5,018.3	4,080.5	4,809.8	4,618.7	4,696.4	4,629.8	4,651.1
1.3 'Other' Deposits with RBI	154.5	133.5	162.2	155.5	164.7	155.3	153.4
2 Sources							
2.1 Net Reserve Bank Credit to Government	4,250.0	4,140.3	523.2	191.6	251.9	1,390.8	2,102.5
2.2 Reserve Bank Credit to Banks	2,844.5	1,498.5	-1,468.6	-1,844.1	-1,280.8	-2,110.7	-2,519.0
2.3 Reserve Bank Credit to Commercial Sector	200.8	69.6	58.9	49.4	58.2	49.4	47.7
2.4 Net Foreign Exchange Assets of RBI	23,834.8	23,490.2	24,501.4	24,410.9	24,552.1	24,566.9	24,659.5
2.5 Government's Currency Liabilities to the Public	219.1	215.1	246.2	246.2	246.2	246.2	246.2
2.6 Net Non- Monetary Liabilities of RBI	9,541.7	9,358.0	9,505.4	9,299.6	9,458.3	9,482.7	9,565.1

No. 12: Commercial Bank Survey

(₹ Billion)

Item	Outstanding as on last reporting Fridays of the month/ reporting Fridays of the month				
	2015-16	2016		2017	
		Jan. 22	Dec. 23	Jan. 6	Jan. 20
	1	2	3	4	5
1 Components					
1.1 Aggregate Deposits of Residents	90,263.3	89,146.6	103,716.6	104,407.2	103,509.3
1.1.1 Demand Deposits	8,890.0	8,125.9	10,859.7	10,805.9	10,644.3
1.1.2 Time Deposits of Residents	81,373.4	81,020.7	92,857.0	93,601.4	92,864.9
1.1.2.1 Short-term Time Deposits	36,618.0	36,459.3	41,785.6	42,120.6	41,789.2
1.1.2.1.1 Certificates of Deposits (CDs)	2,068.2	2,235.3	1,479.4	1,452.9	1,505.4
1.1.2.2 Long-term Time Deposits	44,755.4	44,561.4	51,071.3	51,480.7	51,075.7
1.2 Call/Term Funding from Financial Institutions	2,989.8	2,878.9	3,401.5	3,221.6	3,280.9
2 Sources					
2.1 Domestic Credit	104,171.4	102,911.9	116,166.5	117,137.9	116,578.3
2.1.1 Credit to the Government	26,239.3	26,983.1	36,062.0	36,336.9	35,801.8
2.1.2 Credit to the Commercial Sector	77,932.1	75,928.9	80,104.5	80,801.0	80,776.5
2.1.2.1 Bank Credit	72,496.1	70,566.8	73,480.6	74,134.2	74,177.8
2.1.2.1.1 Non-food Credit	71,443.6	69,544.9	72,429.9	73,066.9	73,137.6
2.1.2.2 Net Credit to Primary Dealers	97.8	60.2	95.6	87.8	81.9
2.1.2.3 Investments in Other Approved Securities	15.8	18.6	30.6	15.0	28.4
2.1.2.4 Other Investments (in non-SLR Securities)	5,322.4	5,283.3	6,497.8	6,564.0	6,488.4
2.2 Net Foreign Currency Assets of Commercial Banks (2.2.1–2.2.2–2.2.3)	–2,247.8	–2,848.2	–1,083.9	–1,180.0	–1,127.7
2.2.1 Foreign Currency Assets	1,847.4	1,300.7	1,379.5	1,331.9	1,352.1
2.2.2 Non-resident Foreign Currency Repatriable Fixed Deposits	3,009.6	3,060.9	1,445.6	1,434.3	1,443.5
2.2.3 Overseas Foreign Currency Borrowings	1,085.6	1,088.0	1,017.9	1,077.6	1,036.3
2.3 Net Bank Reserves (2.3.1+2.3.2–2.3.3)	2,290.1	2,865.1	6,822.5	6,897.3	7,067.7
2.3.1 Balances with the RBI	3,874.4	3,807.9	4,311.6	4,304.3	4,320.0
2.3.2 Cash in Hand	574.4	613.0	1,413.4	748.8	637.0
2.3.3 Loans and Advances from the RBI	2,158.7	1,555.8	–1,097.5	–1,844.1	–2,110.7
2.4 Capital Account	9,341.1	9,381.7	10,197.6	10,211.9	10,270.3
2.5 Other items (net) (2.1+2.2+2.3–2.4–1.1–1.2)	1,619.5	1,521.6	4,589.3	5,014.4	5,457.9
2.5.1 Other Demand and Time Liabilities (net of 2.2.3)	3,954.8	3,443.5	4,042.6	4,056.5	3,799.3
2.5.2 Net Inter-Bank Liabilities (other than to PDs)	–256.0	–303.6	–443.0	–380.6	–372.6

No. 13: Scheduled Commercial Banks' Investments

Item	As on March 18, 2016	2016		2017	
		Jan. 22	Dec. 23	Jan. 06	Jan. 20
	1	2	3	4	5
1 SLR Securities	26,255.1	26,994.2	36,050.0	36,351.9	35,830.2
2 Commercial Paper	817.9	874.1	1,237.1	1,201.7	1,226.6
3 Shares issued by					
3.1 PSUs	77.1	80.6	78.9	80.6	78.4
3.2 Private Corporate Sector	435.5	440.7	496.7	497.4	494.4
3.3 Others	55.9	38.6	43.7	44.4	44.3
4 Bonds/Debentures issued by					
4.1 PSUs	930.7	824.4	1,170.1	1,097.7	1,083.3
4.2 Private Corporate Sector	1,324.4	1,248.6	1,480.9	1,515.6	1,505.2
4.3 Others	511.2	568.1	630.0	671.1	559.2
5 Instruments issued by					
5.1 Mutual funds	641.7	687.1	895.9	810.3	862.6
5.2 Financial institutions	629.0	621.3	649.2	645.1	634.2

No. 14: Business in India - All Scheduled Banks and All Scheduled Commercial Banks

(₹ Billion)

Item	As on the Last Reporting Friday (in case of March)/ Last Friday							
	All Scheduled Banks				All Scheduled Commercial Banks			
	2015-16	2016		2017	2015-16	2016		2017
		Jan.	Dec.	Jan.		Jan.	Dec.	Jan.
	1	2	3	4	5	6	7	8
Number of Reporting Banks	214	214	219	219	147	147	148	148
1 Liabilities to the Banking System	**2,312.4**	**2,265.7**	**2,349.1**	**2,242.8**	**2,250.3**	**2,206.0**	**2,275.6**	**2,173.9**
1.1 Demand and Time Deposits from Banks	1,583.2	1,596.2	1,873.2	1,742.6	1,522.1	1,537.5	1,800.6	1,674.3
1.2 Borrowings from Banks	645.0	524.0	430.7	454.2	644.0	523.1	429.9	453.4
1.3 Other Demand and Time Liabilities	84.2	145.5	45.2	46.1	84.2	145.5	45.2	46.1
2 Liabilities to Others	**103,899.7**	**103,227.6**	**117,516.3**	**115,764.8**	**101,303.1**	**100,661.8**	**114,505.7**	**113,679.2**
2.1 Aggregate Deposits	95,756.3	95,329.7	108,578.8	107,165.5	93,272.9	92,870.0	105,686.2	105,161.2
2.1.1 Demand	9,095.8	8,800.8	11,648.5	11,139.2	8,890.0	8,599.6	11,359.9	10,945.3
2.1.2 Time	86,660.5	86,528.8	96,930.3	96,026.4	84,382.9	84,270.4	94,326.3	94,216.0
2.2 Borrowings	3,011.5	3,103.1	3,551.5	3,596.4	2,989.8	3,081.6	3,525.8	3,573.1
2.3 Other Demand and Time Liabilities	5,131.9	4,794.9	5,386.0	5,002.8	5,040.4	4,710.2	5,293.8	4,944.9
3 Borrowings from Reserve Bank	**2,324.7**	**1,535.7**	**154.8**	**132.0**	**2,324.7**	**1,535.3**	**154.8**	**132.0**
3.1 Against Usance Bills /Promissory Notes	–	–	–	–	–	–	–	–
3.2 Others	2,324.7	1,535.7	154.8	132.0	2,324.7	1,535.3	154.8	132.0
4 Cash in Hand and Balances with Reserve Bank	4,571.0	4,545.3	5,903.3	5,140.7	4,448.8	4,426.0	5,695.7	4,994.6
4.1 Cash in Hand	586.7	606.6	1,282.7	676.2	574.38	594.1	1,200.0	652.8
4.2 Balances with Reserve Bank	3,984.4	3,938.7	4,620.6	4,464.5	3,874.4	3,831.9	4,495.8	4,341.9
5 Assets with the Banking System	**2,980.4**	**2,911.2**	**3,149.4**	**2,804.8**	**2,604.0**	**2,553.1**	**2,645.1**	**2,622.0**
5.1 Balances with Other Banks	1,759.6	1,770.0	2,065.3	2,011.9	1,616.8	1,627.6	1,855.3	1,866.0
5.1.1 In Current Account	124.9	118.9	232.1	157.1	108.8	101.6	180.5	138.3
5.1.2 In Other Accounts	1,634.7	1,651.1	1,833.1	1,854.8	1,508.0	1,525.9	1,674.8	1,727.7
5.2 Money at Call and Short Notice	513.6	293.4	279.0	102.0	348.9	153.0	69.9	93.9
5.3 Advances to Banks	273.3	286.7	321.4	309.0	260.5	278.9	319.9	309.0
5.4 Other Assets	433.8	561.1	483.7	381.9	377.8	493.7	400.0	353.2
6 Investment	**27,000.9**	**28,047.4**	**36,689.2**	**35,616.9**	**26,255.1**	**27,294.0**	**35,808.3**	**34,950.0**
6.1 Government Securities	26,981.7	28,024.4	36,668.0	35,586.1	26,239.3	27,274.2	35,792.0	34,926.0
6.2 Other Approved Securities	19.2	23.1	21.2	30.8	15.8	19.8	16.3	24.0
7 Bank Credit	**74,689.6**	**73,079.2**	**76,312.1**	**75,456.4**	**72,496.1**	**70,946.0**	**74,100.6**	**74,259.8**
7a Food Credit	1,215.2	1,190.4	1,224.4	1,208.1	1,052.5	1,027.7	1,061.7	1,045.4
7.1 Loans, Cash-credits and Overdrafts	72,492.8	70,857.0	74,169.0	73,406.7	70,337.2	68,755.9	72,010.1	72,262.0
7.2 Inland Bills-Purchased	264.3	271.8	224.0	212.6	257.1	265.9	209.6	198.4
7.3 Inland Bills-Discounted	1,313.5	1,331.8	1,265.8	1,221.0	1,288.7	1,311.3	1,234.9	1,190.3
7.4 Foreign Bills-Purchased	205.5	204.0	241.6	228.2	204.4	202.8	238.9	227.7
7.5 Foreign Bills-Discounted	413.6	414.6	411.7	388.0	408.8	410.1	407.2	381.5

No. 15: Deployment of Gross Bank Credit by Major Sectors

(₹ Billion)

Item	Outstanding as on				Growth (%)	
	Mar. 18, 2016	2016	2017		Financial year so far	Y-o-Y
		Jan. 22	Dec. 23	Jan. 20	2016-17	2017
	1	2	3	4	5	6
1 Gross Bank Credit	**66,500**	**64,983**	**66,458**	**67,113**	**0.9**	**3.3**
1.1 Food Credit	**1,031**	**1,002**	**669**	**886**	**–14.1**	**-11.6**
1.2 Non-food Credit	**65,469**	**63,981**	**65,790**	**66,228**	**1.2**	**3.5**
1.2.1 Agriculture & Allied Activities	**8,829**	**8,514**	**9,113**	**9,202**	**4.2**	**8.1**
1.2.2 Industry	**27,307**	**27,244**	**25,791**	**25,866**	**–5.3**	**-5.1**
1.2.2.1 Micro & Small	3,715	3,776	3,436	3,496	–5.9	-7.4
1.2.2.2 Medium	1,148	1,155	1,060	1,037	–9.7	-10.2
1.2.2.3 Large	22,444	22,313	21,295	21,333	–5.0	-4.4
1.2.3 Services	**15,411**	**14,732**	**15,794**	**15,923**	**3.3**	**8.1**
1.2.3.1 Transport Operators	997	984	1,021	1,030	3.2	4.6
1.2.3.2 Computer Software	191	187	180	176	–8.0	-5.9
1.2.3.3 Tourism, Hotels & Restaurants	371	371	375	376	1.5	1.3
1.2.3.4 Shipping	104	103	107	119	13.9	15.7
1.2.3.5 Professional Services	1,046	1,033	1,194	1,258	20.2	21.8
1.2.3.6 Trade	3,811	3,662	3,785	3,868	1.5	5.6
1.2.3.6.1 Wholesale Trade	1,686	1,650	1,708	1,776	5.3	7.6
1.2.3.6.2 Retail Trade	2,125	2,012	2,077	2,093	–1.5	4.0
1.2.3.7 Commercial Real Estate	1,776	1,766	1,778	1,782	0.4	0.9
1.2.3.8 Non-Banking Financial Companies (NBFCs)	3,527	3,260	3,221	3,239	–8.2	-0.6
1.2.3.9 Other Services	3,587	3,367	4,134	4,076	13.6	21.1
1.2.4 Personal Loans	**13,922**	**13,491**	**15,092**	**15,236**	**9.4**	**12.9**
1.2.4.1 Consumer Durables	178	170	194	199	11.8	17.1
1.2.4.2 Housing	7,468	7,238	8,197	8,216	10.0	13.5
1.2.4.3 Advances against Fixed Deposits	667	639	600	597	–10.4	-6.5
1.2.4.4 Advances to Individuals against share & bonds	64	58	47	47	–26.7	-19.5
1.2.4.5 Credit Card Outstanding	377	386	471	498	32.0	29.0
1.2.4.6 Education	682	683	713	719	5.4	5.2
1.2.4.7 Vehicle Loans	1,529	1,420	1,674	1,678	9.7	18.2
1.2.4.8 Other Personal Loans	2,958	2,898	3,194	3,282	11.0	13.3
1.2A Priority Sector	**22,259**	**21,724**	**22,443**	**22,655**	**1.8**	**4.3**
1.2A.1 Agriculture & Allied Activities	8,826	8,514	9,081	9,171	3.9	7.7
1.2A.2 Micro & Small Enterprises	8,476	8,346	8,194	8,315	–1.9	-0.4
1.2A.2.1 Manufacturing	3,715	3,776	3,436	3,496	–5.9	-7.4
1.2A.2.2 Services	4,761	4,570	4,759	4,819	1.2	5.5
1.2A.3 Housing	3,423	3,392	3,575	3,564	4.1	5.1
1.2A.4 Micro-Credit	188	188	179	181	–4.0	-4.0
1.2A.5 Education Loans	601	607	608	609	1.3	0.4
1.2A.6 State-Sponsored Orgs. for SC/ST	5	5	6	6	22.2	22.2
1.2A.7 Weaker Sections	4,774	4,650	5,120	5,192	8.8	11.7
1.2A.8 Export Credit	424	346	458	456	7.6	32.0

No. 16: Industry-wise Deployment of Gross Bank Credit

(₹ Billion)

Industry	Outstanding as on				Growth (%)	
	Mar. 18, 2016	2016	2017		Financial year so far	Y-o-Y
		Jan. 22	Dec. 23	Jan. 20	2016-17	2017
	1	2	3	4	5	6
1 Industry	**27,307**	**27,244**	**25,791**	**25,866**	**–5.3**	**–5.1**
1.1 Mining & Quarrying (incl. Coal)	**390**	**387**	**342**	**336**	**–13.8**	**–13.1**
1.2 Food Processing	**1,501**	**1,525**	**1,289**	**1,309**	**–12.8**	**–14.1**
1.2.1 Sugar	400	365	285	293	–26.6	–19.6
1.2.2 Edible Oils & Vanaspati	199	193	167	169	–15.3	–12.7
1.2.3 Tea	36	36	36	35	–2.3	–3.3
1.2.4 Others	866	931	801	812	–6.2	–12.7
1.3 Beverage & Tobacco	**181**	**178**	**171**	**167**	**–7.8**	**–6.0**
1.4 Textiles	**2,058**	**2,027**	**1,866**	**1,870**	**–9.1**	**–7.8**
1.4.1 Cotton Textiles	1,035	1,017	897	905	–12.5	–11.0
1.4.2 Jute Textiles	22	22	20	21	–4.7	–6.5
1.4.3 Man-Made Textiles	208	208	195	194	–6.6	–6.7
1.4.4 Other Textiles	793	780	753	749	–5.5	–4.0
1.5 Leather & Leather Products	**105**	**103**	**101**	**100**	**–4.7**	**–3.3**
1.6 Wood & Wood Products	**95**	**96**	**99**	**99**	**4.8**	**3.3**
1.7 Paper & Paper Products	**355**	**362**	**339**	**339**	**–4.4**	**–6.2**
1.8 Petroleum, Coal Products & Nuclear Fuels	**512**	**477**	**490**	**492**	**–3.9**	**3.1**
1.9 Chemicals & Chemical Products	**1,645**	**1,562**	**1,444**	**1,433**	**–12.9**	**–8.3**
1.9.1 Fertiliser	285	229	242	243	–14.5	6.5
1.9.2 Drugs & Pharmaceuticals	535	513	471	466	–12.8	–9.0
1.9.3 Petro Chemicals	365	362	324	317	–13.1	–12.3
1.9.4 Others	461	458	407	406	–11.9	–11.5
1.10 Rubber, Plastic & their Products	**374**	**363**	**363**	**360**	**–3.7**	**–0.7**
1.11 Glass & Glassware	**89**	**89**	**80**	**78**	**–12.6**	**–12.8**
1.12 Cement & Cement Products	**543**	**538**	**531**	**546**	**0.6**	**1.6**
1.13 Basic Metal & Metal Product	**4,160**	**4,099**	**4,127**	**4,118**	**–1.0**	**0.5**
1.13.1 Iron & Steel	3,115	3,037	3,118	3,099	–0.5	2.0
1.13.2 Other Metal & Metal Product	1,046	1,062	1,009	1,020	–2.5	–4.0
1.14 All Engineering	**1,542**	**1,526**	**1,470**	**1,472**	**–4.5**	**–3.6**
1.14.1 Electronics	382	379	341	346	–9.4	–8.6
1.14.2 Others	1,159	1,147	1,129	1,125	–2.9	–1.9
1.15 Vehicles, Vehicle Parts & Transport Equipment	**690**	**679**	**715**	**711**	**3.0**	**4.6**
1.16 Gems & Jewellery	**727**	**718**	**686**	**674**	**–7.3**	**–6.1**
1.17 Construction	**745**	**739**	**791**	**799**	**7.2**	**8.2**
1.18 Infrastructure	**9,648**	**9,883**	**8,962**	**9,025**	**–6.5**	**–8.7**
1.18.1 Power	5,799	5,992	5,278	5,312	–8.4	–11.4
1.18.2 Telecommunications	913	937	799	818	–10.3	–12.6
1.18.3 Roads	1,775	1,789	1,798	1,802	1.5	0.7
1.18.4 Other Infrastructure	1,161	1,165	1,087	1,092	–5.9	–6.2
1.19 Other Industries	**1,945**	**1,892**	**1,925**	**1,936**	**–0.5**	**2.3**

No. 17: State Co-operative Banks Maintaining Accounts with the Reserve Bank of India

(₹ Billion)

Item	Last Reporting Friday (in case of March)/Last Friday/ Reporting Friday					
	2015-16	2015	2016			
		Oct, 30	Sep, 16	Sep, 30	Oct, 14	Oct, 28
	1	2	3	4	5	6
Number of Reporting Banks	31	31	30	30	28	28
1 Aggregate Deposits (2.1.1.2+2.2.1.2)	491.4	447.2	520.2	525.2	506.9	520.1
2 Demand and Time Liabilities						
2.1 Demand Liabilities	155.4	145.5	158.7	165.4	157.5	151.6
2.1.1 Deposits						
2.1.1.1 Inter-Bank	33.0	30.2	39.5	42.8	38.1	34.8
2.1.1.2 Others	82.3	73.6	83.3	83.1	74.6	76.1
2.1.2 Borrowings from Banks	9.5	10.5	8.7	12.2	14.3	10.3
2.1.3 Other Demand Liabilities	30.6	31.1	27.2	27.2	30.5	30.4
2.2 Time Liabilities	885.9	872.7	898.9	903.1	888.8	903.7
2.2.1 Deposits						
2.2.1.1 Inter-Bank	467.0	489.2	451.8	450.6	446.7	450.0
2.2.1.2 Others	409.1	373.6	436.9	442.1	432.3	444.0
2.2.2 Borrowings from Banks	0.1	0.4	0.0	0.2	0.0	0.0
2.2.3 Other Time Liabilities	9.7	9.5	10.2	10.1	9.8	9.7
3 Borrowing from Reserve Bank	0.0	0.0	0.0	0.0	0.0	0.0
4 Borrowings from a notified bank / Government	435.1	437.5	424.9	434.1	435.0	444.7
4.1 Demand	164.0	160.5	133.0	137.3	141.1	147.5
4.2 Time	271.1	277.0	291.9	296.8	293.9	297.3
5 Cash in Hand and Balances with Reserve Bank	44.9	40.8	44.3	42.1	43.3	43.2
5.1 Cash in Hand	2.2	2.2	4.5	2.4	2.4	2.2
5.2 Balance with Reserve Bank	42.6	38.6	39.8	39.7	40.9	40.9
6 Balances with Other Banks in Current Account	6.2	7.2	6.6	7.8	5.8	5.5
7 Investments in Government Securities	291.1	275.7	285.4	278.4	277.0	283.8
8 Money at Call and Short Notice	172.2	193.7	209.2	219.9	214.2	221.1
9 Bank Credit (10.1+11)	484.0	428.8	479.3	484.4	476.7	466.2
10 Advances						
10.1 Loans, Cash-Credits and Overdrafts	483.9	428.8	479.2	484.4	476.6	466.2
10.2 Due from Banks	693.9	701.7	676.8	688.9	688.6	697.5
11 Bills Purchased and Discounted	0.0	0.0	0.0	0.0	0.0	0.0

Prices and Production

No. 18: Consumer Price Index (Base: 2012=100)

Group/Sub group	2015-16			Rural			Urban			Combined		
	Rural	Urban	Combined	Jan. 16	Dec. 16	Jan. 17	Jan. 16	Dec. 16	Jan. 17	Jan. 16	Dec. 16	Jan. 17
	1	2	3	4	5	6	7	8	9	10	11	12
1 Food and beverages	**129.2**	**129.8**	**129.4**	**131.4**	**134.7**	**133.6**	**131.2**	**132.8**	**132.0**	**131.3**	**134.0**	**133.0**
1.1 Cereals and products	125.3	123.9	124.9	126.8	132.6	133.0	124.7	131.6	132.2	126.1	132.3	132.7
1.2 Meat and fish	130.9	132.1	131.3	133.2	137.3	137.7	135.9	138.2	138.9	134.1	137.6	138.1
1.3 Egg	122.1	120.5	121.5	126.5	131.6	131.7	132.0	134.9	132.6	128.6	132.9	132.0
1.4 Milk and products	129.2	128.2	128.8	130.3	136.3	136.7	129.2	133.1	133.1	129.9	135.1	135.4
1.5 Oils and fats	115.7	107.6	112.7	118.9	121.6	122.0	109.7	113.5	114.0	115.5	118.6	119.1
1.6 Fruits	132.7	125.6	129.4	131.6	135.6	136.0	119.0	129.3	129.6	125.7	132.7	133.0
1.7 Vegetables	142.1	148.5	144.2	140.1	127.5	119.8	144.1	121.1	118.7	141.5	125.3	119.4
1.8 Pulses and products	146.4	166.1	153.0	163.8	167.9	161.6	184.2	170.3	155.1	170.7	168.7	159.4
1.9 Sugar and confectionery	96.0	91.7	94.5	97.7	113.8	114.7	96.7	115.5	117.3	97.4	114.4	115.6
1.10 Spices	125.9	134.7	128.8	129.6	137.5	136.9	139.5	145.5	144.9	132.9	140.2	139.6
1.11 Non-alcoholic beverages	122.3	119.2	121.0	124.3	129.1	128.9	120.5	123.1	123.2	122.7	126.6	126.5
1.12 Prepared meals, snacks, sweets	133.2	132.6	132.9	135.9	143.6	143.9	134.7	140.9	141.6	135.3	142.3	142.8
2 Pan, tobacco and intoxicants	**130.9**	**135.6**	**132.2**	**133.6**	**142.4**	**143.2**	**139.5**	**145.0**	**145.5**	**135.2**	**143.1**	**143.8**
3 Clothing and footwear	**130.2**	**123.5**	**127.5**	**132.6**	**139.7**	**140.0**	**124.9**	**128.8**	**129.0**	**129.5**	**135.4**	**135.6**
3.1 Clothing	130.7	124.3	128.2	133.2	140.4	140.7	125.8	130.0	130.2	130.3	136.3	136.6
3.2 Footwear	127.0	118.7	123.6	128.9	135.2	135.6	119.8	122.2	122.3	125.1	129.8	130.1
4 Housing	**--**	**121.7**	**121.7**	**--**	**--**	**--**	**123.4**	**128.5**	**129.6**	**123.4**	**128.5**	**129.6**
5 Fuel and light	**124.4**	**115.3**	**121.0**	**126.2**	**132.0**	**132.3**	**116.9**	**117.8**	**118.0**	**122.7**	**126.6**	**126.9**
6 Miscellaneous	**118.9**	**116.3**	**117.6**	**120.1**	**126.3**	**126.7**	**116.8**	**121.4**	**122.1**	**118.5**	**123.9**	**124.5**
6.1 Household goods and services	124.5	120.4	122.6	126.6	132.9	133.2	121.6	125.0	125.1	124.2	129.2	129.4
6.2 Health	121.9	117.3	120.1	123.7	129.7	129.8	119.1	122.3	122.6	122.0	126.9	127.1
6.3 Transport and communication	113.7	109.7	111.5	113.6	118.6	119.3	108.9	113.7	115.2	111.1	116.0	117.1
6.4 Recreation and amusement	119.6	117.4	118.4	121.4	127.3	127.2	118.5	121.8	122.0	119.8	124.2	124.3
6.5 Education	124.2	125.4	124.9	126.2	134.2	134.7	126.4	132.3	132.4	126.3	133.1	133.4
6.6 Personal care and effects	114.0	113.4	113.7	114.9	121.9	122.3	114.0	119.9	120.9	114.5	121.1	121.7
General Index (All Groups)	**126.1**	**123.0**	**124.7**	**128.1**	**132.8**	**132.4**	**124.2**	**127.6**	**127.8**	**126.3**	**130.4**	**130.3**

Source: Central Statistics Office, Ministry of Statistics and Programme Implementation, Government of India.

No. 19: Other Consumer Price Indices

Item	Base Year	Linking Factor	2015-16	2016		2017
				Jan.	Dec.	Jan.
	1	2	3	4	5	6
1 Consumer Price Index for Industrial Workers	2001	4.63	265	269	275	274
2 Consumer Price Index for Agricultural Labourers	1986-87	5.89	835	849	876	870
3 Consumer Price Index for Rural Labourers	1986-87	–	839	854	881	876

Source: Labour Bureau, Ministry of Labour and Employment, Government of India.

No. 20: Monthly Average Price of Gold and Silver in Mumbai

Item	2015-16	2016		2017
		Jan.	Dec.	Jan.
	1	2	3	4
1 Standard Gold (₹ per 10 grams)	26,534	25,998	27,754	28,746
2 Silver (₹ per kilogram)	36,318	34,287	40,289	41,140

Source: Business Standard/Business Line/The Economic Times, Mumbai for Gold and Silver prices in Mumbai.

No. 21: Wholesale Price Index

(Base: 2004-05 = 100)

Commodities	Weight	2015-16	2016			2017
			Jan.	Nov.	Dec. (P)	Jan. (P)
	1	2	3	4	5	6
1 ALL COMMODITIES	**100.000**	**176.7**	**175.4**	**183.5**	**182.8**	**184.6**
1.1 PRIMARY ARTICLES	**20.118**	**249.6**	**252.5**	**261.2**	**256.3**	**255.7**
1.1.1 Food articles	**14.337**	**262.1**	**268.7**	**277.6**	**270.1**	**267.2**
1.1.1.1 Food Grains	4.090	253.0	263.3	294.7	289.2	279.2
1.1.1.1.1 Cereals	3.373	235.2	240.6	258.9	255.6	254.9
1.1.1.1.2 Pulses	0.717	336.7	370.4	463.0	447.1	393.4
1.1.1.2 Fruits & Vegetables	3.843	254.0	258.2	246.8	223.7	220.3
1.1.1.2.1 Vegetables	1.736	268.5	289.9	252.2	211.1	196.2
1.1.1.2.2 Fruits	2.107	242.0	231.9	242.3	234.1	240.2
1.1.1.3 Milk	3.238	250.6	250.8	261.3	261.2	261.3
1.1.1.4 Eggs, Meat & Fish	2.414	288.0	297.9	303.8	304.7	308.6
1.1.1.5 Condiments & Spices	0.569	342.6	363.2	349.3	351.4	357.4
1.1.1.6 Other Food Articles	0.183	245.1	246.9	260.2	260.9	258.8
1.1.2 Non-Food Articles	**4.258**	**219.5**	**226.8**	**221.7**	**225.6**	**231.3**
1.1.2.1 Fibres	0.877	207.2	214.1	231.3	233.5	246.6
1.1.2.2 Oil Seeds	1.781	214.9	215.0	206.9	211.1	211.3
1.1.2.3 Other Non-Food Articles	1.386	233.8	238.3	243.9	246.3	248.9
1.1.2.4 Flowers	0.213	215.7	304.1	161.2	179.5	221.5
1.1.3 Minerals	**1.524**	**216.2**	**171.8**	**217.1**	**213.3**	**215.5**
1.1.3.1 Metallic Minerals	0.489	286.3	224.7	282.9	258.6	277.6
1.1.3.2 Other Minerals	0.135	203.8	197.0	211.3	207.5	211.7
1.1.3.3 Crude Petroleum	0.900	180.0	139.4	182.3	189.7	182.3
1.2 FUEL & POWER	**14.910**	**179.8**	**170.3**	**190.7**	**192.1**	**201.2**
1.2.1 Coal	2.094	189.9	189.9	191.2	191.2	217.3
1.2.2 Mineral Oils	9.364	179.5	165.1	197.4	199.6	208.3
1.2.3 Electricity	3.452	174.3	172.3	172.3	172.3	172.3
1.3 MANUFACTURED PRODUCTS	**64.972**	**153.4**	**152.7**	**157.8**	**158.0**	**158.8**
1.3.1 Food Products	**9.974**	**174.2**	**176.7**	**194.0**	**193.7**	**194.5**
1.3.1.1 Dairy Products	0.568	206.7	204.1	212.9	214.1	214.5
1.3.1.2 Canning, Preserving & Processing of Food	0.358	165.1	164.7	169.4	169.6	170.7
1.3.1.3 Grain Mill Products	1.340	178.7	183.4	211.5	211.5	216.3
1.3.1.4 Bakery Products	0.444	150.5	148.7	151.5	151.9	152.0
1.3.1.5 Sugar, Khandsari & Gur	2.089	167.1	174.4	211.6	209.3	211.5
1.3.1.6 Edible Oils	3.043	148.6	148.9	156.4	157.2	158.2
1.3.1.7 Oil Cakes	0.494	250.4	258.2	253.9	250.8	244.5
1.3.1.8 Tea & Coffee Proccessing	0.711	192.8	187.0	199.3	198.8	194.7
1.3.1.9 Manufacture of Salt	0.048	201.5	199.8	199.8	199.8	199.8
1.3.1.10 Other Food Products	0.879	207.9	213.5	236.2	237.1	236.7
1.3.2 Beverages, Tobacco & Tobacco Products	**1.762**	**206.5**	**206.1**	**222.0**	**221.9**	**221.9**
1.3.2.1 Wine Industries	0.385	137.5	137.1	149.5	149.6	149.9
1.3.2.2 Malt Liquor	0.153	181.3	181.0	188.5	189.3	189.3
1.3.2.3 Soft Drinks & Carbonated Water	0.241	167.7	167.0	181.2	180.3	181.4
1.3.2.4 Manufacture of Bidi, Cigarettes, Tobacco & Zarda	0.983	247.0	246.6	265.6	265.6	265.1
1.3.3 Textiles	**7.326**	**140.2**	**139.5**	**141.5**	**141.6**	**142.3**
1.3.3.1 Cotton Textiles	2.605	156.6	155.3	160.6	160.8	162.3
1.3.3.1.1 Cotton Yarn	1.377	166.2	163.4	171.3	171.6	174.5
1.3.3.1.2 Cotton Fabric	1.228	145.8	146.2	148.6	148.6	148.8
1.3.3.2 Man-Made Textiles	2.206	131.3	128.9	129.1	129.7	129.8
1.3.3.2.1 Man-Made Fibre	1.672	130.1	127.3	126.9	127.7	127.3
1.3.3.2.2 Man-Made Fabric	0.533	134.9	133.7	135.8	136.0	137.7
1.3.3.3 Woollen Textiles	0.294	153.3	151.5	151.9	152.1	152.2
1.3.3.4 Jute, Hemp & Mesta Textiles	0.261	219.2	233.6	231.9	230.5	233.5
1.3.3.5 Other Misc. Textiles	1.960	115.8	116.1	116.2	116.2	116.1
1.3.4 Wood & Wood Products	**0.587**	**195.7**	**195.9**	**196.0**	**193.7**	**192.6**
1.3.4.1 Timber/Wooden Planks	0.181	164.5	165.7	166.3	162.8	158.5
1.3.4.2 Processed Wood	0.128	193.9	195.3	200.0	198.7	199.2
1.3.4.3 Plywood & Fibre Board	0.241	227.3	226.4	223.0	221.8	221.9
1.3.4.4 Others	0.038	150.0	148.8	152.0	146.6	147.5

No. 21: Wholesale Price Index (Concld.)

(Base: 2004-05 = 100)

Commodities	Weight	2015-16	2016			2017
			Jan.	Nov.	Dec. (P)	Jan. (P)
	1	2	3	4	5	6
1.3.5 Paper & Paper Products	**2.034**	**154.5**	**155.5**	**157.5**	**157.0**	**157.7**
1.3.5.1 Paper & Pulp	1.019	151.3	151.1	152.5	152.6	152.5
1.3.5.2 Manufacture of boards	0.550	135.6	135.9	134.9	133.8	134.2
1.3.5.3 Printing & Publishing	0.465	184.3	188.7	195.4	194.0	196.9
1.3.6 Leather & Leather Products	**0.835**	**144.9**	**145.1**	**146.5**	**146.1**	**145.5**
1.3.6.1 Leathers	0.223	116.1	114.3	115.9	112.9	112.1
1.3.6.2 Leather Footwear	0.409	160.6	161.3	164.8	165.8	165.2
1.3.6.3 Other Leather Products	0.203	144.9	146.3	143.1	143.0	142.6
1.3.7 Rubber & Plastic Products	**2.987**	**147.2**	**145.3**	**148.4**	**148.4**	**148.6**
1.3.7.1 Tyres & Tubes	0.541	176.8	176.7	178.4	178.9	178.9
1.3.7.1.1 Tyres	0.488	177.5	177.4	178.4	179.0	179.0
1.3.7.1.2 Tubes	0.053	170.6	169.8	178.4	178.4	178.4
1.3.7.2 Plastic Products	1.861	136.3	133.7	135.4	135.4	135.8
1.3.7.3 Rubber Products	0.584	154.6	153.4	162.2	161.6	161.3
1.3.8 Chemicals & Chemical Products	**12.018**	**150.5**	**149.5**	**150.8**	**150.7**	**150.9**
1.3.8.1 Basic Inorganic Chemicals	1.187	155.3	154.6	156.1	156.1	155.6
1.3.8.2 Basic Organic Chemicals	1.952	140.2	137.4	143.2	144.0	147.1
1.3.8.3 Fertilisers & Pesticides	3.145	155.0	155.7	154.1	153.8	153.4
1.3.8.3.1 Fertilisers	2.661	158.2	158.7	156.3	156.0	155.4
1.3.8.3.2 Pesticides	0.483	137.7	139.4	142.1	142.2	142.2
1.3.8.4 Paints, Varnishes & Lacquers	0.529	152.2	152.2	152.5	152.5	152.3
1.3.8.5 Dyestuffs & Indigo	0.563	141.9	142.5	143.4	143.3	143.8
1.3.8.6 Drugs & Medicines	0.456	129.6	128.5	128.5	128.5	128.3
1.3.8.7 Perfumes, Cosmetics, Toiletries etc.	1.130	163.2	162.9	164.6	164.6	164.2
1.3.8.8 Turpentine, Plastic Chemicals	0.586	154.1	153.4	156.0	155.9	155.5
1.3.8.9 Polymers including Synthetic Rubber	0.970	146.0	146.0	145.8	146.0	144.4
1.3.8.10 Petrochemical Intermediates	0.869	150.1	142.7	144.9	143.6	143.8
1.3.8.11 Matches, Explosives & other Chemicals	0.629	153.9	153.0	154.8	154.6	155.2
1.3.9 Non-Metallic Mineral Products	**2.556**	**177.3**	**178.1**	**179.3**	**179.3**	**178.6**
1.3.9.1 Structural Clay Products	0.658	198.4	201.0	204.1	203.9	202.2
1.3.9.2 Glass, Earthenware, Chinaware & their Products	0.256	141.5	143.2	144.0	144.0	144.4
1.3.9.3 Cement & Lime	1.386	173.6	173.5	174.8	174.9	174.3
1.3.9.4 Cement, Slate & Graphite Products	0.256	179.2	178.8	175.6	175.3	175.5
1.3.10 Basic Metals, Alloys & Metal Products	**10.748**	**154.6**	**149.3**	**156.5**	**157.6**	**161.2**
1.3.10.1 Ferrous Metals	8.064	141.7	135.7	142.1	144.4	148.6
1.3.10.1.1 Iron & Semis	1.563	139.4	132.5	137.3	137.8	143.6
1.3.10.1.2 Steel: Long	1.630	148.8	142.3	144.1	146.1	149.9
1.3.10.1.3 Steel: Flat	2.611	132.5	124.4	136.1	141.1	146.9
1.3.10.1.4 Steel: Pipes & Tubes	0.314	127.8	123.0	127.0	127.5	128.9
1.3.10.1.5 Stainless Steel & alloys	0.938	160.6	157.7	164.6	164.7	165.4
1.3.10.1.6 Castings & Forgings	0.871	144.0	141.9	141.6	142.1	142.4
1.3.10.1.7 Ferro alloys	0.137	149.8	148.4	171.3	177.5	190.3
1.3.10.2 Non-Ferrous Metals	1.004	164.2	162.6	164.9	165.0	165.4
1.3.10.2.1 Aluminium	0.489	137.3	134.6	138.7	139.1	139.4
1.3.10.2.2 Other Non-Ferrous Metals	0.515	189.7	189.2	189.7	189.7	190.1
1.3.10.3 Metal Products	1.680	210.4	206.8	220.3	216.4	219.1
1.3.11 Machinery & Machine Tools	**8.931**	**135.0**	**134.7**	**135.5**	**135.5**	**135.4**
1.3.11.1 Agricultural Machinery & Implements	0.139	149.1	149.0	153.9	153.9	153.9
1.3.11.2 Industrial Machinery	1.838	153.5	153.6	154.1	153.9	153.9
1.3.11.3 Construction Machinery	0.045	141.5	141.5	141.6	141.6	141.6
1.3.11.4 Machine Tools	0.367	167.6	167.7	175.2	175.2	170.9
1.3.11.5 Air Conditioner & Refrigerators	0.429	120.8	121.2	121.3	121.3	121.3
1.3.11.6 Non-Electrical Machinery	1.026	127.6	127.7	128.4	128.4	128.4
1.3.11.7 Electrical Machinery, Equipment & Batteries	2.343	138.2	138.3	138.8	138.9	138.9
1.3.11.8 Electrical Accessories, Wires, Cables etc.	1.063	155.5	152.7	152.6	153.1	153.4
1.3.11.9 Electrical Apparatus & Appliances	0.337	121.8	122.0	124.0	124.1	124.0
1.3.11.10 Electronics Items	0.961	89.2	89.3	89.2	89.2	89.2
1.3.11.11 IT Hardware	0.267	91.7	91.7	91.7	91.7	92.0
1.3.11.12 Communication Equipments	0.118	99.0	99.6	99.2	99.2	99.2
1.3.12 Transport, Equipment & Parts	**5.213**	**138.1**	**138.9**	**139.9**	**140.0**	**139.8**
1.3.12.1 Automotives	4.231	137.1	138.2	139.3	139.4	139.2
1.3.12.2 Auto Parts	0.804	140.3	140.5	140.8	140.5	140.4
1.3.12.3 Other Transport Equipments	0.178	151.0	150.6	150.6	150.6	150.7

Source: Office of the Economic Adviser, Ministry of Commerce and Industry, Government of India.

No. 22: Index of Industrial Production (Base:2004-05=100)

Industry	Weight	2014-15	2015-16	April-December		December	
				2015-16	2016-17	2015	2016
	1	2	3	4	5	6	7
General Index	**100.00**	**176.9**	**181.1**	**178.2**	**178.7**	**184.2**	**183.5**
1 Sectoral Classification							
1.1 Mining and Quarrying	14.16	126.5	129.3	125.3	126.4	137.3	144.5
1.2 Manufacturing	75.53	186.1	189.8	186.8	185.9	193.1	189.3
1.3 Electricity	10.32	178.6	188.7	188.5	198.2	183.2	194.7
2 Use-Based Classification							
2.1 Basic Goods	45.68	167.8	173.8	171.6	178.9	175.8	185.2
2.2 Capital Goods	8.83	258.0	250.5	253.5	209.6	219.5	212.9
2.3 Intermediate Goods	15.69	153.8	157.6	155.3	159.7	161.4	159.5
2.4 Consumer Goods	29.81	178.9	184.3	178.3	179.4	198.6	185.0
2.4.1 Consumer Durables	8.46	231.0	257.2	251.1	263.6	242.5	217.5
2.4.2 Consumer Non-Durables	21.35	158.3	155.4	149.4	146.0	181.2	172.1

Source : Central Statistics Office, Ministry of Statistics and Programme Implementation, Government of India.

Government Accounts and Treasury Bills

No. 23: Union Government Accounts at a Glance

(Amount in ₹ Billion)

Item	Financial Year	April–January			
	2016-17 (Budget Estimates)	2016-17 (Actuals)	2015-16 (Actuals)	Percentage to Budget Estimates	
				2016-17	2015-16
	1	2	3	4	5
1 Revenue Receipts	13,770.2	10,093.9	8,811.8	73.3	77.2
1.1 Tax Revenue (Net)	10,541.0	8,163.5	6,788.9	77.4	73.8
1.2 Non-Tax Revenue	3,229.2	1,930.4	2,022.9	59.8	91.2
2 Capital Receipts	6,010.4	6,082.6	5,551.6	101.2	87.3
2.1 Recovery of Loans	106.3	130.6	100.1	122.8	93.1
2.2 Other Receipts	565.0	310.1	128.7	54.9	18.5
2.3 Borrowings and Other Liabilities	5,339.0	5,641.9	5,322.8	105.7	95.8
3 Total Receipts (1+2)	**19,780.6**	**16,176.6**	**14,363.4**	**81.8**	**80.8**
4 Non-Plan Expenditure	14,280.5	11,743.0	10,684.2	82.2	81.4
4.1 On Revenue Account	13,274.1	10,940.5	9,779.7	82.4	81.1
4.1.1 Interest Payments	4,926.7	3,685.9	3,416.3	74.8	74.9
4.2 On Capital Account	1,006.4	802.6	904.5	79.7	85.2
5 Plan Expenditure	5,500.1	4,433.5	3,679.2	80.6	79.1
5.1 On Revenue Account	4,036.3	3,201.7	2,493.9	79.3	75.6
5.2 On Capital Account	1,463.8	1,231.8	1,185.4	84.2	87.6
6 Total Expenditure (4+5)	**19,780.6**	**16,176.6**	**14,363.4**	**81.8**	**80.8**
7 Revenue Expenditure (4.1+5.1)	17,310.4	14,142.2	12,273.6	81.7	79.9
8 Capital Expenditure (4.2+5.2)	2,470.2	2,034.4	2,089.8	82.4	86.6
9 Revenue Deficit (7-1)	**3,540.1**	**4,048.3**	**3,461.7**	**114.4**	**87.8**
10 Fiscal Deficit {6-(1+2.1+2.2)}	**5,339.0**	**5,641.9**	**5,322.8**	**105.7**	**95.8**
11 Gross Primary Deficit [10-4.1.1]	**412.3**	**1,956.0**	**1,906.5**	**474.4**	**191.6**

Source: Controller General of Accounts, Ministry of Finance, Government of India.

No. 24: Treasury Bills – Ownership Pattern

(₹ Billion)

Item	2015-16	2016			2017			
		Jan. 29	Dec. 23	Dec. 30	Jan. 6	Jan. 13	Jan. 20	Jan. 27
	1	2	3	4	5	6	7	8
1 91-day								
1.1 Banks	436.1	369.2	227.8	275.3	253.7	248.8	229.3	230.5
1.2 Primary Dealers	219.0	295.9	204.1	218.4	219.5	242.3	210.1	224.9
1.3 State Governments	453.0	669.4	651.9	691.9	651.3	554.2	554.1	659.1
1.4 Others	362.4	424.9	739.4	677.6	678.8	638.0	669.8	633.9
2 182-day								
2.1 Banks	186.5	194.5	348.4	320.4	321.7	303.7	293.1	272.2
2.2 Primary Dealers	412.7	425.9	276.9	361.0	347.5	363.9	321.3	393.2
2.3 State Governments	50.0	92.8	162.3	177.3	177.3	174.4	174.4	174.4
2.4 Others	62.9	132.0	137.8	81.8	94.0	78.5	131.7	61.1
3 364-day								
3.1 Banks	442.8	443.7	693.0	682.1	646.8	659.9	677.6	644.8
3.2 Primary Dealers	662.6	692.9	513.8	561.8	518.8	533.1	430.3	526.2
3.3 State Governments	19.6	19.6	26.2	26.2	26.8	26.8	26.9	26.9
3.4 Others	354.9	324.0	389.7	292.6	350.3	322.9	387.8	324.8
4 14-day Intermediate								
4.1 Banks	–	–	–	–	–	–	–	–
4.2 Primary Dealers	–	–	–	–	–	–	–	–
4.3 State Governments	1,224.9	813.6	1,200.8	1,172.9	1,043.7	1,293.0	1,307.2	1,324.6
4.4 Others	10.1	16.1	6.2	4.7	9.3	8.6	8.4	5.6
Total Treasury Bills (Excluding 14 day Intermediate T Bills) #	3,662.4	4,084.8	4,371.4	4,366.5	4,286.4	4,146.4	4,106.5	4,172.0

14D intermediate T-Bills are non-marketable unlike 91D, 182D and 364D T-Bills. These bills are 'intermediate' by nature as these are liquidated to replenish shortfall in the daily minimum cash balances of State Governments

No. 25: Auctions of Treasury Bills

(Amount in ₹ Billion)

Date of Auction	Notified Amount	Bids Received			Bids Accepted			Total Issue (6+7)	Cut-off Price	Implicit Yield at Cut-off Price (per cent)
		Number	Total Face Value		Number	Total Face Value				
			Competitive	Non-Competitive		Competitive	Non-Competitive			
	1	2	3	4	5	6	7	8	9	10
91-day Treasury Bills										
2016-17										
Dec. 28	80	79	615.01	111.57	62	80.00	111.57	191.57	98.46	6.2735
Jan. 4	60	71	364.89	14.62	38	59.98	14.62	74.60	98.48	6.1908
Jan. 11	60	76	255.55	0.41	57	59.98	0.41	60.39	98.46	6.2735
Jan. 18	60	83	755.15	10.60	69	59.98	10.60	70.58	98.46	6.2735
Jan. 25	60	85	866.13	130.62	51	59.98	130.62	190.60	98.47	6.2322
182-day Treasury Bills										
2016-17										
Dec. 28	60	55	145.44	15.08	34	60.00	15.08	75.08	96.93	6.3519
Jan. 11	40	62	269.81	10.02	22	40.00	10.02	50.02	96.96	6.2879
Jan. 25	40	72	368.29	0.07	10	39.98	0.07	40.05	96.99	6.2239
364-day Treasury Bills										
2016-17										
Dec. 7	60	75	224.59	–	37	60.00	–	60.00	94.35	6.0048
Dec. 21	60	66	171.10	0.09	45	59.93	0.09	60.02	94.05	6.3438
Jan. 4	40	78	208.02	0.02	17	39.98	0.02	40.00	94.13	6.2532
Jan. 18	40	97	341.83	0.04	13	39.98	0.04	40.02	94.13	6.2532

Financial Markets

No. 26: Daily Call Money Rates

(Per cent per annum)

As on		Range of Rates	Weighted Average Rates
		Borrowings/ Lendings	Borrowings/ Lendings
		1	2
January	2, 2017	4.80-6.25	6.06
January	3, 2017	4.80-6.30	6.00
January	4, 2017	4.80-6.30	6.06
January	5, 2017	4.80-6.30	6.10
January	6, 2017	4.75-6.25	6.13
January	7, 2017	4.65-6.20	5.59
January	9, 2017	4.80-6.30	6.15
January	10, 2017	4.80-6.30	6.09
January	11, 2017	4.75-6.30	6.09
January	12, 2017	4.80-6.25	6.08
January	13, 2017	4.80-6.25	6.04
January	16, 2017	4.75-6.25	5.97
January	17, 2017	4.80-6.30	5.92
January	18, 2017	4.75-6.25	5.99
January	19, 2017	4.80-6.25	5.98
January	20, 2017	4.75-6.24	6.01
January	21, 2017	4.60-6.25	5.89
January	23, 2017	4.75-6.25	5.97
January	24, 2017	4.75-6.30	5.96
January	25, 2017	4.75-6.35	5.98
January	27, 2017	4.75-6.25	6.02
January	30, 2017	4.80-6.25	6.00
January	31, 2017	4.75-6.25	6.01
February	1, 2017	4.75-6.30	6.05
February	2, 2017	4.75-6.25	5.95
February	3, 2017	4.80-6.25	5.99
February	4, 2017	4.75-6.25	5.96
February	6, 2017	4.80-6.25	5.98
February	7, 2017	4.75-6.25	6.09
February	8, 2017	4.75-6.25	6.02
February	9, 2017	4.75-6.25	6.06
February	10, 2017	4.75-6.25	6.11
February	13, 2017	4.80-6.25	6.08
February	14, 2017	4.80-6.25	6.01
February	15, 2017	4.80-6.25	5.98

Note: Includes Notice Money.

No. 27: Certificates of Deposit

Item	2016			2017	
	Jan. 22	Dec. 9	Dec. 23	Jan. 6	Jan. 20
	1	2	3	4	5
1 Amount Outstanding (₹ Billion)	2,174.9	1,625.4	1,468.0	1,448.9	1,511.5
1.1 Issued during the fortnight (₹ Billion)	106.3	145.5	16.7	76.7	83.1
2 Rate of Interest (per cent)	7.20-7.90	5.92-6.85	6.00-6.49	6.27-6.55	6.40-6.62

No. 28: Commercial Paper

Item	2016			2017	
	Jan. 31	Dec. 15	Dec. 31	Jan. 15	Jan. 31
	1	2	3	4	5
1 Amount Outstanding (₹ Billion)	3,553.8	3,978.9	3,618.0	4,065.9	3,813.7
1.1 Reported during the fortnight (₹ Billion)	513.9	774.1	906.9	582.9	504.6
2 Rate of Interest (per cent)	7.30-11.18	5.86-13.95	6.02-12.66	6.15-14.19	6.19-14.21

No. 29: Average Daily Turnover in Select Financial Markets

(₹ Billion)

Item	2015-16	2016			2017			
		Jan. 29	Dec. 23	Dec. 30	Jan. 6	Jan. 13	Jan. 20	Jan. 27
	1	2	3	4	5	6	7	8
1 Call Money	221.1	236.2	311.9	283.6	247.6	287.9	215.3	209.9
2 Notice Money	49.3	84.7	12.5	51.6	95.5	11.6	89.8	9.8
3 Term Money	4.9	5.2	10.3	5.9	9.9	6.9	8.8	4.9
4 CBLO	1,287.62	1,223.9	1,663.0	2,360.2	1,798.6	1,842.3	1,779.6	1,603.8
5 Market Repo	1,245.0	1,688.0	1,980.7	2,133.7	1,869.9	1,690.1	1,969.0	1,366.8
6 Repo in Corporate Bond	1.2	0.9	14.2	1.0	4.0	3.3	4.1	2.0
7 Forex (US $ million)	55,345	48,933	45,282	51,765	47,068	50,690	49,373	56,020
8 Govt. of India Dated Securities	712.8	661.0	983.8	689.3	1,517.2	1,105.9	917.3	783.2
9 State Govt. Securities	27.5	44.2	47.0	49.1	47.4	42.0	27.9	54.0
10 Treasury Bills								
10.1 91-Day	40.8	35.6	42.5	77.2	33.5	19.6	24.5	22.7
10.2 182-Day	11.8	28.1	4.0	8.8	11.5	11.5	2.8	5.0
10.3 364-Day	19	10.5	9.7	10.0	18.5	3.7	5.3	5.3
10.4 Cash Management Bills		–	31.8	42.6	159.7	127.0	74.2	47.4
11 Total Govt. Securities (8+9+10)	811.9	779.4	1,118.7	877.0	1,787.8	1,309.7	1,051.9	917.7
11.1 RBI	4.5	0.1	0.0	0.8	0.0	10.8	0.2	187.8

No. 30: New Capital Issues By Non-Government Public Limited Companies

(Amount in ₹ Billion)

Security & Type of Issue	2015-16		2015-16 (Apr.-Jan.)		2016-17 (Apr.-Jan.) *		Jan. 2016		Jan. 2017 *	
	No. of Issues	Amount	No. of Issues	Amount	No. of Issues	Amount	No. of Issues	Amount	No. of Issues	Amount
	1	2	3	4	5	6	7	8	9	10
1 Equity Shares	**87**	**240.0**	**64**	**214.1**	**79**	**261.3**	**5**	**5.7**	**5**	**13.5**
1A Premium	78	225.7	59	201.0	76	251.3	5	5.4	5	13.4
1.1 Public	73	142.5	52	121.2	72	247.3	3	4.2	3	12.5
1.1.1 Premium	65	134.2	48	113.9	69	238.7	3	3.9	3	12.5
1.2 Rights	14	97.5	12	92.9	7	14.0	2	1.5	2	1.0
1.2.1 Premium	13	91.4	11	87.1	7	12.6	2	1.4	2	0.9
2 Preference Shares	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
2.1 Public	–	–	–	–	–	–	–	–	–	–
2.2 Rights	–	–	–	–	–	–	–	–	–	–
3 Debentures	**9**	**27.1**	**9**	**27.1**	**14**	**289.9**	**1**	**2.0**	**2**	**18.3**
3.1 Convertible	–	–	–	–	–	–	–	–	–	–
3.1.1 Public	–	–	–	–	–	–	–	–	–	–
3.1.2 Rights	–	–	–	–	–	–	–	–	–	–
3.2 Non-Convertible	9	27.1	9	27.1	14	289.9	1	2.0	2	18.3
3.2.1 Public	9	27.1	9	27.1	14	289.9	1	2.0	2	18.3
3.2.2 Rights	–	–	–	–	–	–	–	–	–	–
4 Bonds	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
4.1 Public	–	–	–	–	–	–	–	–	–	–
4.2 Rights	–	–	–	–	–	–	–	–	–	–
5 Total (1+2+3+4)	**96**	**267.2**	**73**	**241.2**	**93**	**551.2**	**6**	**7.7**	**7**	**31.8**
5.1 Public	82	169.7	61	148.3	86	537.2	4	6.2	5	30.8
5.2 Rights	14	97.5	12	92.9	7	14.0	2	1.5	2	1.0

* : Data is Provisional

Source : Securities and Exchange Board of India

External Sector

No. 31: Foreign Trade

Item	Unit	2015-16	2016					2017
			Jan.	Sep.	Oct.	Nov.	Dec.	Jan.
		1	2	3	4	5	6	7
1 Exports	₹ Billion	17,163.8	1,425.7	1,526.7	1,560.8	1,354.4	1,618.9	1,505.6
	US $ Million	262,290.1	21,199.0	22,876.6	23,383.1	20,028.4	23,842.7	22,115.0
1.1 Oil	₹ Billion	1,996.4	140.4	172.9	188.8	164.0	191.5	183.3
	US $ Million	30,582.7	2,087.6	2,590.3	2,827.9	2,424.7	2,820.7	2,692.2
1.2 Non-oil	₹ Billion	15,167.4	1,285.3	1,353.9	1,372.0	1,190.5	1,427.4	1,322.3
	US $ Million	231,707.4	19,111.4	20,286.3	20,555.3	17,603.6	21,022.0	19,422.9
2 Imports	₹ Billion	24,903.0	1,941.3	2,134.8	2,250.6	2,211.1	2,316.3	2,175.6
	US $ Million	381,006.6	28,866.5	31,988.6	33,718.2	32,696.7	34,113.7	31,955.9
2.1 Oil	₹ Billion	5,405.0	339.9	460.2	478.0	463.3	519.1	554.2
	US $ Million	82,944.5	5,054.3	6,895.2	7,161.7	6,850.9	7,645.4	8,140.8
2.2 Non-oil	₹ Billion	19,497.9	1,601.4	1,674.7	1,772.6	1,747.8	1,797.2	1,621.3
	US $ Million	298,062.2	23,812.2	25,093.4	26,556.6	25,845.8	26,468.2	23,815.1
3 Trade Balance	₹ Billion	–7,739.2	–515.7	–608.1	–689.8	–856.7	–697.4	–670.0
	US $ Million	–118,716.5	–7,667.5	–9,112.0	–10,335.1	–12,668.3	–10,270.9	–9,840.9
3.1 Oil	₹ Billion	–3,408.7	–199.5	–287.3	–289.3	–299.3	–327.6	–370.9
	US $ Million	–52,361.8	–2,966.7	–4,304.9	–4,333.8	–4,426.2	–4,824.7	–5,448.7
3.2 Non-oil	₹ Billion	–4,330.5	–316.1	–320.8	–400.6	–557.4	–369.8	–299.0
	US $ Million	–66,354.8	–4,700.9	–4,807.1	–6,001.3	–8,242.2	–5,446.2	–4,392.3

Source: DGCI&S and Ministry of Commerce & Industry.

No. 32: Foreign Exchange Reserves

Item	Unit	2016	2017					
		Feb. 26	Jan. 20	Jan. 27	Feb. 3	Feb. 10	Feb. 17	Feb. 24
		1	2	3	4	5	6	7
1 Total Reserves	**₹ Billion**	**23,668**	**24,550**	**24,642**	**24,467**	**24,291**	**24,324**	**24,256**
	US $ Million	**346,788**	**360,775**	**361,558**	**363,147**	**362,786**	**362,729**	**362,793**
1.1 Foreign Currency Assets	₹ Billion	22,187	23,031	23,123	22,908	22,734	22,767	22,700
	US $ Million	325,027	338,434	339,211	340,126	339,779	339,720	339,783
1.2 Gold	₹ Billion	1,201	1,263	1,263	1,305	1,305	1,305	1,305
	US $ Million	17,697	18,584	18,584	19,248	19,248	19,248	19,248
1.3 SDRs	SDRs Million	1,066	1,065	1,065	1,065	1,065	1,065	1,065
	₹ Billion	102	98	99	98	97	97	97
	US $ Million	1,480	1,442	1,444	1,448	1,443	1,444	1,444
1.4 Reserve Tranche Position in IMF	₹ Billion	178	158	158	157	155	155	155
	US $ Million	2,585	2,315	2,318	2,324	2,316	2,317	2,318

No. 33: NRI Deposits

(US$ Million)

Scheme	Outstanding				Flows	
	2015-16	2016		2017	2015-16	2016-17
		Jan.	Dec.	Jan.	Apr.-Jan.	Apr.-Jan.
	1	2	3	4	5	6
1 NRI Deposits	**126,929**	**121,763**	**109,831**	**109,988**	**12,724**	**–14,581**
1.1 FCNR(B)	45,316	44,586	20,859	20,641	1,762	–24,675
1.2 NR(E)RA	71,468	67,625	77,513	77,759	10,226	8,354
1.3 NRO	10,145	9,552	11,458	11,588	735	1,740

No. 34: Foreign Investment Inflows

(US$ Million)

Item	2015-16	2015-16	2016-17	2016		2017
		Apr.-Jan.	Apr.-Jan.	Jan.	Dec.	Jan.
	1	2	3	4	5	6
1.1 Net Foreign Direct Investment (1.1.1–1.1.2)	**36,021**	**31,643**	**34,214**	**4,418**	**2,706**	**3,353**
1.1.1 Direct Investment to India (1.1.1.1–1. 1.1.2)	**44,907**	**38,773**	**37,449**	**5,251**	**3,812**	**4,242**
1.1.1.1 Gross Inflows/Gross Investments	**55,559**	**47,180**	**53,292**	**6,373**	**4,828**	**5,258**
1.1.1.1.1 Equity	41,112	35,304	40,825	5,088	3,452	4,088
1.1.1.1.1.1 Government (SIA/FIPB)	3,574	2,980	5,803	105	248	41
1.1.1.1.1.2 RBI	32,494	28,379	27,924	4,251	2,411	3,457
1.1.1.1.1.3 Acquisition of shares	3,933	3,059	6,093	620	687	478
1.1.1.1.1.4 Equity capital of unincorporated bodies	1,111	886	1,005	112	105	112
1.1.1.1.2 Reinvested earnings	10,413	8,347	9,695	1,033	877	1,033
1.1.1.1.3 Other capital	4,034	3,529	2,771	253	498	137
1.1.1.2 Repatriation/Disinvestment	**10,652**	**8,407**	**15,843**	**1,122**	**1,016**	**1,016**
1.1.1.2.1 Equity	10,524	8,296	15,532	1,114	1,009	1,009
1.1.1.2.2 Other capital	128	111	312	8	7	7
1.1.2 Foreign Direct Investment by India (1.1.2.1+1.1.2.2+1.1.2.3–1.1.2.4)	**8,886**	**7,130**	**3,235**	**832**	**1,106**	**889**
1.1.2.1 Equity capital	6,486	4,860	6,595	741	724	285
1.1.2.2 Reinvested Earnings	3,337	2,781	2,781	278	278	278
1.1.2.3 Other Capital	3,382	2,901	2,926	268	263	486
1.1.2.4 Repatriation/Disinvestment	4,320	3,411	9,067	454	159	159
1.2 Net Portfolio Investment (1.2.1+1.2.2+1.2.3–1.2.4)	**–4,130**	**–3,736**	**–3,614**	**–1,144**	**–4,056**	**–414**
1.2.1 GDRs/ADRs	373	373	–	–	–	–
1.2.2 FIIs	–4,016	–4,122	–3,767	–894	–4,031	–389
1.2.3 Offshore funds and others	–	–	–	–	–	–
1.2.4 Portfolio investment by India	487	–13	–153	250	25	25
1 Foreign Investment Inflows	**31,891**	**27,907**	**30,599**	**3,274**	**–1,350**	**2,939**

No. 35: Outward Remittances under the Liberalised Remittance Scheme (LRS) for Resident Individuals

(US$ Million)

Item	2015-16	2016			2017
		Jan.	Nov.	Dec.	Jan.
	1	2	3	4	5
1 Outward Remittances under the LRS	**4,642.6**	**534.1**	**620.8**	**619.1**	**727.5**
1.1 Deposit	109.9	10.4	20.5	21.6	24.3
1.2 Purchase of immovable property	90.8	4.7	4.9	6.3	6.3
1.3 Investment in equity/debt	317.9	18.4	19.7	37.5	33.4
1.4 Gift	533.0	35.2	51.9	55.9	61.6
1.5 Donations	3.9	0.1	1.3	1.3	0.1
1.6 Travel	651.4	40.8	246.7	201.8	217.9
1.7 Maintenance of close relatives	1,372.1	151.6	142.7	160.2	194.6
1.8 Medical Treatment	17.2	2.0	1.3	1.5	1.7
1.9 Studies Abroad	1,200.0	213.9	120.3	120.3	179.1
1.10 Others	346.4	56.9	11.6	12.8	8.5

No. 36: Indices of Real Effective Exchange Rate (REER) and Nominal Effective Exchange Rate (NEER) of the Indian Rupee

Item	2014-15	2015-16	2016	2017	
			February	January	February
	1	2	3	4	5
36-Currency Export and Trade Based Weights (Base: 2004-05=100)					
1 Trade-Based Weights					
1.1 NEER	74.08	74.76	72.98	75.11	75.86
1.2 REER	108.94	112.07	109.90	115.24	116.39
2 Export-Based Weights					
2.1 NEER	75.22	76.45	74.52	76.89	77.68
2.2 REER	111.24	114.44	112.18	117.17	118.38
6-Currency Trade Based Weights					
1 Base: 2004-05 (April-March) =100					
1.1 NEER	68.60	67.52	65.22	67.73	68.49
1.2 REER	119.92	122.71	119.35	126.09	127.51
2 Base: 2015-16 (April-March) =100					
2.1 NEER	101.59	100.00	96.58	100.31	101.44
2.2 REER	97.73	100.00	97.27	102.76	103.91

No. 37: External Commercial Borrowings (ECBs) – Registrations

(Amount in US$ Million)

Item	2015-16	2016		2017
		Jan.	Dec.	Jan.
	1	2	3	4
1 Automatic Route				
1.1 Number	671	56	67	55
1.2 Amount	13,412	1,391	1,023	1,389
2 Approval Route				
2.1 Number	46	4	5	4
2.2 Amount	10,961	4	1,778	427
3 Total (1+2)				
3.1 Number	717	60	72	59
3.2 Amount	24,373	1,395	2,801	1,816
4 Weighted Average Maturity (in years)	6.20	4.60	3.40	6.50
5 Interest Rate (per cent)				
5.1 Weighted Average Margin over 6-month LIBOR or reference rate for Floating Rate Loans	1.45	1.56	1.10	1.36
5.2 Interest rate range for Fixed Rate Loans	0.00-13.00	0.00-7.00	0.00-14.75	0.00-9.50

No. 38: India's Overall Balance of Payments

(US $ Million)

Item	Jul-Sep 2015 (PR)			Jul-Sep 2016 (P)		
	Credit	Debit	Net	Credit	Debit	Net
	1	2	3	4	5	6
Overall Balance of Payments(1+2+3)	**253,896**	**254,752**	**–856**	**266,882**	**258,370**	**8,512**
1 CURRENT ACCOUNT (1.1+ 1.2)	**127,292**	**135,850**	**–8,559**	**127,429**	**130,879**	**–3,450**
1.1 MERCHANDISE	**67,573**	**104,746**	**–37,173**	**67,412**	**93,054**	**–25,642**
1.2 INVISIBLES (1.2.1+1.2.2+1.2.3)	**59,719**	**31,105**	**28,614**	**60,018**	**37,825**	**22,192**
1.2.1 Services	38,728	20,893	17,835	40,540	24,267	16,273
1.2.1.1 Travel	5,037	4,015	1,022	5,534	4,527	1,007
1.2.1.2 Transportation	3,535	3,837	–301	3,931	3,492	439
1.2.1.3 Insurance	552	286	266	577	357	220
1.2.1.4 G.n.i.e.	168	247	–79	146	156	–10
1.2.1.5 Miscellaneous	29,436	12,508	16,928	30,352	15,734	14,618
1.2.1.5.1 Software Services	18,706	648	18,058	18,693	994	17,699
1.2.1.5.2 Business Services	7,244	7,496	–252	8,249	8,012	236
1.2.1.5.3 Financial Services	1,717	875	842	1,479	1,530	–51
1.2.1.5.4 Communication Services	592	280	312	611	266	345
1.2.2 Transfers	17,084	821	16,263	15,247	1,382	13,865
1.2.2.1 Official	88	246	–157	67	249	–182
1.2.2.2 Private	16,996	575	16,421	15,180	1,133	14,048
1.2.3 Income	3,907	9,391	–5,484	4,231	12,177	–7,946
1.2.3.1 Investment Income	2,909	8,796	–5,887	3,329	11,610	–8,281
1.2.3.2 Compensation of Employees	998	595	403	902	567	335
2 CAPITAL ACCOUNT (2.1+2.2+2.3+2.4+2.5)	**126,604**	**118,483**	**8,121**	**139,453**	**126,747**	**12,706**
2.1 Foreign Investment (2.1.1+2.1.2)	**66,499**	**63,349**	**3,150**	**86,399**	**63,153**	**23,246**
2.1.1 Foreign Direct Investment	11,332	4,813	6,519	24,087	6,891	17,195
2.1.1.1 In India	10,363	2,205	8,157	18,085	4,081	14,004
2.1.1.1.1 Equity	7,355	2,201	5,154	14,328	3,904	10,424
2.1.1.1.2 Reinvested Earnings	2,369	–	2,369	2,869	–	2,869
2.1.1.1.3 Other Capital	639	5	634	888	177	711
2.1.1.2 Abroad	970	2,608	–1,638	6,002	2,810	3,192
2.1.1.2.1 Equity	970	1,025	–56	6,002	1,505	4,497
2.1.1.2.2 Reinvested Earnings	–	834	–834	–	834	–834
2.1.1.2.3 Other Capital	–	748	–748	–	471	–471
2.1.2 Portfolio Investment	55,167	58,536	–3,369	62,312	56,262	6,050
2.1.2.1 In India	54,978	58,453	–3,475	62,146	55,437	6,709
2.1.2.1.1 FIIs	54,878	58,453	–3,575	62,146	55,437	6,709
2.1.2.1.1.1 Equity	48,068	51,434	–3,366	49,356	44,833	4,523
2.1.2.1.1.2 Debt	6,810	7,019	–209	12,790	10,604	2,186
2.1.2.1.2 ADR/GDRs	100	–	100	–	–	–
2.1.2.2 Abroad	189	83	106	167	825	–658
2.2 Loans (2.2.1+2.2.2+2.2.3)	**29,600**	**31,545**	**–1,944**	**28,939**	**31,814**	**–2,875**
2.2.1 External Assistance	976	1,089	–113	1,013	1,175	–161
2.2.1.1 By India	14	131	–117	14	100	–86
2.2.1.2 To India	963	958	4	999	1,075	–75
2.2.2 Commercial Borrowings	5,411	7,140	–1,729	6,200	8,731	–2,531
2.2.2.1 By India	253	44	209	859	1,796	–937
2.2.2.2 To India	5,158	7,096	–1,938	5,341	6,935	–1,594
2.2.3 Short Term to India	23,213	23,316	–103	21,726	21,908	–182
2.2.3.1 Suppliers' Credit > 180 days & Buyers' Credit	22,425	23,316	–891	21,400	21,908	–508
2.2.3.2 Suppliers' Credit up to 180 days	788	–	788	326	–	326
2.3 Banking Capital (2.3.1+2.3.2)	**24,970**	**17,671**	**7,300**	**15,881**	**22,487**	**–6,606**
2.3.1 Commercial Banks	24,970	17,668	7,302	15,624	22,487	–6,862
2.3.1.1 Assets	6,119	3,392	2,727	943	8,992	–8,049
2.3.1.2 Liabilities	18,852	14,277	4,575	14,682	13,495	1,187
2.3.1.2.1 Non-Resident Deposits	16,184	11,957	4,227	13,611	11,523	2,088
2.3.2 Others	–	3	–3	256	–	256
2.4 Rupee Debt Service	–	17	–17	–	17	–17
2.5 Other Capital	5,534	5,902	–368	8,234	9,276	–1,042
3 Errors & Omissions	**–**	**419**	**–419**	–	**745**	**–745**
4 Monetary Movements (4.1+ 4.2)	**856**	–	**856**	–	**8,512**	**–8,512**
4.1 I.M.F.	–	–	–	–	–	–
4.2 Foreign Exchange Reserves (Increase - / Decrease +)	856	–	856	–	8,512	–8,512

No. 39: India's Overall Balance of Payments

(₹ Billion)

Item	Jul-Sep 2015 (PR)			Jul-Sep 2016 (P)		
	Credit	Debit	Net	Credit	Debit	Net
	1	2	3	4	5	6
Overall Balance of Payments(1+2+3)	**16,497**	**16,553**	**–56**	**17,871**	**17,301**	**570**
1 CURRENT ACCOUNT (1.1+ 1.2)	**8,271**	**8,827**	**–556**	**8,533**	**8,764**	**–231**
1.1 MERCHANDISE	**4,391**	**6,806**	**–2,415**	**4,514**	**6,231**	**–1,717**
1.2 INVISIBLES (1.2.1+1.2.2+1.2.3)	**3,880**	**2,021**	**1,859**	**4,019**	**2,533**	**1,486**
1.2.1 Services	2,516	1,358	1,159	2,715	1,625	1,090
1.2.1.1 Travel	327	261	66	371	303	67
1.2.1.2 Transportation	230	249	–20	263	234	29
1.2.1.3 Insurance	36	19	17	39	24	15
1.2.1.4 G.n.i.e.	11	16	–5	10	10	–1
1.2.1.5 Miscellaneous	1,913	813	1,100	2,032	1,054	979
1.2.1.5.1 Software Services	1,215	42	1,173	1,252	67	1,185
1.2.1.5.2 Business Services	471	487	–16	552	537	16
1.2.1.5.3 Financial Services	112	57	55	99	102	–3
1.2.1.5.4 Communication Services	38	18	20	41	18	23
1.2.2 Transfers	1,110	53	1,057	1,021	93	928
1.2.2.1 Official	6	16	–10	4	17	–12
1.2.2.2 Private	1,104	37	1,067	1,017	76	941
1.2.3 Income	254	610	–356	283	815	–532
1.2.3.1 Investment Income	189	572	–383	223	777	–555
1.2.3.2 Compensation of Employees	65	39	26	60	38	22
2 CAPITAL ACCOUNT (2.1+2.2+2.3+2.4+2.5)	**8,226**	**7,698**	**528**	**9,338**	**8,487**	**851**
2.1 Foreign Investment (2.1.1+2.1.2)	4,321	4,116	205	5,785	4,229	1,557
2.1.1 Foreign Direct Investment	736	313	424	1,613	461	1,151
2.1.1.1 In India	673	143	530	1,211	273	938
2.1.1.1.1 Equity	478	143	335	959	261	698
2.1.1.1.2 Reinvested Earnings	154	–	154	192	–	192
2.1.1.1.3 Other Capital	42	–	41	59	12	48
2.1.1.2 Abroad	63	169	–106	402	188	214
2.1.1.2.1 Equity	63	67	–4	402	101	301
2.1.1.2.2 Reinvested Earnings	–	54	–54	–	56	–56
2.1.1.2.3 Other Capital	–	49	–49	–	32	–32
2.1.2 Portfolio Investment	3,584	3,803	–219	4,173	3,767	405
2.1.2.1 In India	3,572	3,798	–226	4,161	3,712	449
2.1.2.1.1 FIIs	3,566	3,798	–232	4,161	3,712	449
2.1.2.1.1.1 Equity	3,123	3,342	–219	3,305	3,002	303
2.1.2.1.1.2 Debt	442	456	–14	856	710	146
2.1.2.1.2 ADR/GDRs	6	–	6	–	–	–
2.1.2.2 Abroad	12	5	7	11	55	–44
2.2 Loans (2.2.1+2.2.2+2.2.3)	**1,923**	**2,050**	**–126**	**1,938**	**2,130**	**–192**
2.2.1 External Assistance	63	71	–7	68	79	–11
2.2.1.1 By India	1	8	–8	1	7	–6
2.2.1.2 To India	63	62	–	67	72	–5
2.2.2 Commercial Borrowings	352	464	–112	415	585	–169
2.2.2.1 By India	16	3	14	58	120	–63
2.2.2.2 To India	335	461	–126	358	464	–107
2.2.3 Short Term to India	1,508	1,515	–7	1,455	1,467	–12
2.2.3.1 Suppliers' Credit > 180 days & Buyers' Credit	1,457	1,515	–58	1,433	1,467	–34
2.2.3.2 Suppliers' Credit up to 180 days	51	–	51	22	–	22
2.3 Banking Capital (2.3.1+2.3.2)	**1,622**	**1,148**	**474**	**1,063**	**1,506**	**–442**
2.3.1 Commercial Banks	1,622	1,148	474	1,046	1,506	–460
2.3.1.1 Assets	398	220	177	63	602	–539
2.3.1.2 Liabilities	1,225	928	297	983	904	79
2.3.1.2.1 Non-Resident Deposits	1,052	777	275	911	772	140
2.3.2 Others	–	–	–	17	–	17
2.4 Rupee Debt Service	–	1	–1	–	1	–1
2.5 Other Capital	360	383	–24	551	621	–70
3 Errors & Omissions	–	**27**	**–27**	–	**50**	**–50**
4 Monetary Movements (4.1+ 4.2)	**56**	–	**56**	–	**570**	**–570**
4.1 I.M.F.	–	–	–	–	–	–
4.2 Foreign Exchange Reserves (Increase - / Decrease +)	56	–	56	–	570	–570

No. 40: Standard Presentation of BoP in India as per BPM6

(US $ Million)

Item	Jul-Sep 2015 (PR) Credit	Jul-Sep 2015 (PR) Debit	Jul-Sep 2015 (PR) Net	Jul-Sep 2016 (P) Credit	Jul-Sep 2016 (P) Debit	Jul-Sep 2016 (P) Net
	1	2	3	4	5	6
1 Current Account (1.A+1.B+1.C)	**127,287**	**135,826**	**–8,539**	**127,426**	**130,855**	**–3,429**
1.A Goods and Services (1.A.a+1.A.b)	**106,301**	**125,639**	**–19,338**	**107,952**	**117,321**	**–9,369**
1.A.a Goods (1.A.a.1 to 1.A.a.3)	**67,573**	**104,746**	**–37,173**	**67,412**	**93,054**	**–25,642**
1.A.a.1 General merchandise on a BOP basis	67,401	94,763	–27,363	67,074	89,056	–21,983
1.A.a.2 Net exports of goods under merchanting	172	–	172	338	–	338
1.A.a.3 Nonmonetary gold	–	9,982	–9,982	–	3,998	–3,998
1.A.b Services (1.A.b.1 to 1.A.b.13)	**38,728**	**20,893**	**17,835**	**40,540**	**24,267**	**16,273**
1.A.b.1 Manufacturing services on physical inputs owned by others	94	5	89	24	8	15
1.A.b.2 Maintenance and repair services n.i.e.	41	65	–24	34	88	–53
1.A.b.3 Transport	3,535	3,837	–301	3,931	3,492	439
1.A.b.4 Travel	5,037	4,015	1,022	5,534	4,527	1,007
1.A.b.5 Construction	366	229	137	526	180	346
1.A.b.6 Insurance and pension services	552	286	266	577	357	220
1.A.b.7 Financial services	1,717	875	842	1,479	1,530	–51
1.A.b.8 Charges for the use of intellectual property n.i.e.	100	1,073	–973	113	1,241	–1,128
1.A.b.9 Telecommunications, computer, and information services	19,354	1,002	18,352	19,400	1,325	18,075
1.A.b.10 Other business services	7,244	7,496	–252	8,249	8,012	236
1.A.b.11 Personal, cultural, and recreational services	302	421	–119	356	633	–277
1.A.b.12 Government goods and services n.i.e.	168	247	–79	146	156	–10
1.A.b.13 Others n.i.e.	219	1,343	–1,124	171	2,717	–2,546
1.B Primary Income (1.B.1 to 1.B.3)	**3,907**	**9,391**	**–5,484**	**4,231**	**12,177**	**–7,946**
1.B.1 Compensation of employees	998	595	403	902	567	335
1.B.2 Investment income	2,495	8,624	–6,129	2,889	11,463	–8,574
1.B.2.1 Direct investment	1,315	3,086	–1,771	1,339	5,715	–4,376
1.B.2.2 Portfolio investment	31	2,414	–2,383	36	2,645	–2,608
1.B.2.3 Other investment	157	3,122	–2,966	522	3,102	–2,580
1.B.2.4 Reserve assets	992	1	991	991	1	990
1.B.3 Other primary income	414	172	242	440	147	293
1.C Secondary Income (1.C.1+1.C.2)	**17,080**	**797**	**16,283**	**15,244**	**1,358**	**13,886**
1.C.1 Financial corporations, nonfinancial corporations, households, and NPISHs	16,996	575	16,421	15,180	1,133	14,048
1.C.1.1 Personal transfers (Current transfers between resident and/ non-resident households)	16,455	515	15,941	14,668	891	13,777
1.C.1.2 Other current transfers	541	60	480	513	242	271
1.C.2 General government	84	222	–138	64	225	–162
2 Capital Account (2.1+2.2)	**83**	**79**	**4**	**58**	**76**	**–18**
2.1 Gross acquisitions (DR.)/disposals (CR.) of non-produced nonfinancial assets	10	14	–3	5	14	–9
2.2 Capital transfers	73	65	8	53	62	–9
3 Financial Account (3.1 to 3.5)	**127,382**	**118,428**	**8,954**	**139,397**	**135,206**	**4,191**
3.1 Direct Investment (3.1A+3.1B)	**11,332**	**4,813**	**6,519**	**24,087**	**6,891**	**17,195**
3.1.A Direct Investment in India	10,363	2,205	8,157	18,085	4,081	14,004
3.1.A.1 Equity and investment fund shares	9,724	2,201	7,523	17,197	3,904	13,293
3.1.A.1.1 Equity other than reinvestment of earnings	7,355	2,201	5,154	14,328	3,904	10,424
3.1.A.1.2 Reinvestment of earnings	2,369	–	2,369	2,869	–	2,869
3.1.A.2 Debt instruments	639	5	634	888	177	711
3.1.A.2.1 Direct investor in direct investment enterprises	639	5	634	888	177	711
3.1.B Direct Investment by India	970	2,608	–1,638	6,002	2,810	3,192
3.1.B.1 Equity and investment fund shares	970	1,860	–890	6,002	2,339	3,663
3.1.B.1.1 Equity other than reinvestment of earnings	970	1,025	–56	6,002	1,505	4,497
3.1.B.1.2 Reinvestment of earnings	–	834	–834	–	834	–834
3.1.B.2 Debt instruments	–	748	–748	–	471	–471
3.1.B.2.1 Direct investor in direct investment enterprises	–	748	–748	–	471	–471
3.2 Portfolio Investment	**55,067**	**58,536**	**–3,469**	**62,312**	**56,262**	**6,050**
3.2.A Portfolio Investment in India	54,878	58,453	–3,575	62,146	55,437	6,709
3.2.1 Equity and investment fund shares	48,068	51,434	–3,366	49,356	44,833	4,523
3.2.2 Debt securities	6,810	7,019	–209	12,790	10,604	2,186
3.2.B Portfolio Investment by India	189	83	106	167	825	–658
3.3 Financial derivatives (other than reserves) and employee stock options	**2,751**	**4,178**	**–1,427**	**6,074**	**5,180**	**893**
3.4 Other investment	**57,375**	**50,901**	**6,474**	**46,925**	**58,361**	**–11,436**
3.4.1 Other equity (ADRs/GDRs)	100	–	100	–	–	–
3.4.2 Currency and deposits	16,184	11,960	4,225	13,867	11,523	2,344
3.4.2.1 Central bank (Rupee Debt Movements; NRG)	–	3	–3	256	–	256
3.4.2.2 Deposit-taking corporations, except the central bank (NRI Deposits)	16,184	11,957	4,227	13,611	11,523	2,088
3.4.2.3 General government	–	–	–	–	–	–
3.4.2.4 Other sectors	–	–	–	–	–	–
3.4.3 Loans (External Assistance, ECBs and Banking Capital)	15,174	13,940	1,234	9,227	20,869	–11,642
3.4.3.A Loans to India	14,907	13,765	1,141	8,354	18,973	–10,620
3.4.3.B Loans by India	267	175	92	873	1,896	–1,023
3.4.4 Insurance, pension, and standardized guarantee schemes	34	10	23	40	63	–23
3.4.5 Trade credit and advances	23,213	23,316	–103	21,726	21,908	–182
3.4.6 Other accounts receivable/payable - other	2,671	1,675	995	2,066	3,998	–1,933
3.4.7 Special drawing rights	–	–	–	–	–	–
3.5 Reserve assets	**856**	–	**856**	–	**8,512**	**–8,512**
3.5.1 Monetary gold	–	–	–	–	–	–
3.5.2 Special drawing rights n.a.	–	–	–	–	–	–
3.5.3 Reserve position in the IMF n.a.	–	–	–	–	–	–
3.5.4 Other reserve assets (Foreign Currency Assets)	856	–	856	–	8,512	–8,512
4 Total assets/liabilities	**127,382**	**118,428**	**8,954**	**139,397**	**135,206**	**4,191**
4.1 Equity and investment fund shares	61,736	59,766	1,969	78,834	57,144	21,690
4.2 Debt instruments	62,020	56,987	5,033	58,498	65,552	–7,055
4.3 Other financial assets and liabilities	3,627	1,675	1,952	2,066	12,510	–10,444
5 Net errors and omissions	–	**419**	**–419**	–	**745**	**–745**

No. 41: Standard Presentation of BoP in India as per BPM6

(₹ Billion)

Item	Jul-Sep 2015 (PR)			Jul-Sep 2016 (P)		
	Credit	Debit	Net	Credit	Debit	Net
	1	2	3	4	5	6
1 Current Account (1.A+1.B+1.C)	**8,270**	**8,825**	**-555**	**8,533**	**8,762**	**-230**
1.A Goods and Services (1.A.a+1.A.b)	**6,907**	**8,163**	**-1,256**	**7,229**	**7,856**	**-627**
1.A.a Goods (1.A.a.1 to 1.A.a.3)	**4,391**	**6,806**	**-2,415**	**4,514**	**6,231**	**-1,717**
1.A.a.1 General merchandise on a BOP basis	4,379	6,157	-1,778	4,491	5,963	-1,472
1.A.a.2 Net exports of goods under merchanting	11	–	11	23	–	23
1.A.a.3 Nonmonetary gold	–	649	-649	–	268	-268
1.A.b Services (1.A.b.1 to 1.A.b.13)	**2,516**	**1,358**	**1,159**	**2,715**	**1,625**	**1,090**
1.A.b.1 Manufacturing services on physical inputs owned by others	6	0	6	2	1	1
1.A.b.2 Maintenance and repair services n.i.e.	3	4	-2	2	6	-4
1.A.b.3 Transport	230	249	-20	263	234	29
1.A.b.4 Travel	327	261	66	371	303	67
1.A.b.5 Construction	24	15	9	35	12	23
1.A.b.6 Insurance and pension services	36	19	17	39	24	15
1.A.b.7 Financial services	112	57	55	99	102	-3
1.A.b.8 Charges for the use of intellectual property n.i.e.	6	70	-63	8	83	-76
1.A.b.9 Telecommunications, computer, and information services	1,258	65	1,192	1,299	89	1,210
1.A.b.10 Other business services	471	487	-16	552	537	16
1.A.b.11 Personal, cultural, and recreational services	20	27	-8	24	42	-19
1.A.b.12 Government goods and services n.i.e.	11	16	-5	10	10	-1
1.A.b.13 Others n.i.e.	14	87	-73	11	182	-170
1.B Primary Income (1.B.1 to 1.B.3)	**254**	**610**	**-356**	**283**	**815**	**-532**
1.B.1 Compensation of employees	65	39	26	60	38	22
1.B.2 Investment income	162	560	-398	193	768	-574
1.B.2.1 Direct investment	85	201	-115	90	383	-293
1.B.2.2 Portfolio investment	2	157	-155	2	177	-175
1.B.2.3 Other investment	10	203	-193	35	208	-173
1.B.2.4 Reserve assets	64	0	64	66	0	66
1.B.3 Other primary income	27	11	16	29	10	20
1.C Secondary Income (1.C.1+1.C.2)	**1,110**	**52**	**1,058**	**1,021**	**91**	**930**
1.C.1 Financial corporations, nonfinancial corporations, households, and NPISHs	1,104	37	1,067	1,017	76	941
1.C.1.1 Personal transfers (Current transfers between resident and/ non-resident households)	1,069	33	1,036	982	60	923
1.C.1.2 Other current transfers	35	4	31	34	16	18
1.C.2 General government	5	14	-9	4	15	-11
2 Capital Account (2.1+2.2)	**5**	**5**	**0**	**4**	**5**	**-1**
2.1 Gross acquisitions (DR.)/disposals (CR.) of non-produced nonfinancial assets	1	1	0	–	1	-1
2.2 Capital transfers	5	4	0	4	4	-1
3 Financial Account (3.1 to 3.5)	**8,277**	**7,695**	**582**	**9,334**	**9,054**	**281**
3.1 Direct Investment (3.1A+3.1B)	**736**	**313**	**424**	**1,613**	**461**	**1,151**
3.1.A Direct Investment in India	673	143	530	1,211	273	938
3.1.A.1 Equity and investment fund shares	632	143	489	1,152	261	890
3.1.A.1.1 Equity other than reinvestment of earnings	478	143	335	959	261	698
3.1.A.1.2 Reinvestment of earnings	154	–	154	192	–	192
3.1.A.2 Debt instruments	42	0	41	59	12	48
3.1.A.2.1 Direct investor in direct investment enterprises	42	0	41	59	12	48
3.1.B Direct Investment by India	63	169	-106	402	188	214
3.1.B.1 Equity and investment fund shares	63	121	-58	402	157	245
3.1.B.1.1 Equity other than reinvestment of earnings	63	67	-4	402	101	301
3.1.B.1.2 Reinvestment of earnings	–	54	-54	–	56	-56
3.1.B.2 Debt instruments	–	49	-49	–	32	-32
3.1.B.2.1 Direct investor in direct investment enterprises	–	49	-49	–	32	-32
3.2 Portfolio Investment	**3,578**	**3,803**	**-225**	**4,173**	**3,767**	**405**
3.2.A Portfolio Investment in India	3,566	3,798	-232	4,161	3,712	449
3.2.1 Equity and investment fund shares	3,123	3,342	-219	3,305	3,002	303
3.2.2 Debt securities	442	456	-14	856	710	146
3.2.B Portfolio Investment by India	12	5	7	11	55	-44
3.3 Financial derivatives (other than reserves) and employee stock options	**179**	**271**	**-93**	**407**	**347**	**60**
3.4 Other investment	**3,728**	**3,307**	**421**	**3,142**	**3,908**	**-766**
3.4.1 Other equity (ADRs/GDRs)	6	–	6	–	–	–
3.4.2 Currency and deposits	1,052	777	275	929	772	157
3.4.2.1 Central bank (Rupee Debt Movements; NRG)	–	0	0	17	–	17
3.4.2.2 Deposit-taking corporations, except the central bank (NRI Deposits)	1,052	777	275	911	772	140
3.4.2.3 General government	–	–	–	–	–	–
3.4.2.4 Other sectors	–	–	–	–	–	–
3.4.3 Loans (External Assistance, ECBs and Banking Capital)	986	906	80	618	1,397	-780
3.4.3.A Loans to India	969	894	74	559	1,270	-711
3.4.3.B Loans by India	17	11	6	58	127	-68
3.4.4 Insurance, pension, and standardized guarantee schemes	2	1	2	3	4	-2
3.4.5 Trade credit and advances	1,508	1,515	-7	1,455	1,467	-12
3.4.6 Other accounts receivable/payable - other	174	109	65	138	268	-129
3.4.7 Special drawing rights	–	–	–	–	–	–
3.5 Reserve assets	**56**	–	**56**	–	**570**	**-570**
3.5.1 Monetary gold	–	–	–	–	–	–
3.5.2 Special drawing rights n.a.	–	–	–	–	–	–
3.5.3 Reserve position in the IMF n.a.	–	–	–	–	–	–
3.5.4 Other reserve assets (Foreign Currency Assets)	56	–	56	–	570	-570
4 Total assets/liabilities	**8,277**	**7,695**	**582**	**9,334**	**9,054**	**281**
4.1 Equity and investment fund shares	4,011	3,883	128	5,279	3,826	1,452
4.2 Debt instruments	4,030	3,703	327	3,917	4,389	-472
4.3 Other financial assets and liabilities	236	109	127	138	838	-699
5 Net errors and omissions	**–**	**27**	**-27**	–	**50**	**-50**

No. 42: International Investment Position

(US$ Million)

Item	As on Financial Year /Quarter End							
	2015-16		2015		2016			
			Sep.		Jun.		Sep.	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
	1	2	3	4	5	6	7	8
1 Direct Investment Abroad/in India	141,626	293,855	135,824	271,335	143,435	294,093	140,243	311,721
1.1 Equity Capital and Reinvested Earnings	96,961	280,267	93,021	258,420	97,732	280,143	94,069	297,517
1.2 Other Capital	44,665	13,588	42,803	12,915	45,703	13,950	46,174	14,204
2 Portfolio Investment	2,461	224,764	1,701	225,430	1,598	220,549	2,256	232,066
2.1 Equity	1,541	141,864	1,581	143,583	1,596	141,510	1,943	148,085
2.2 Debt	919	82,900	120	81,847	2	79,038	313	83,981
3 Other Investment	45,798	392,600	41,736	389,786	43,741	390,483	50,298	388,612
3.1 Trade Credit	2,913	82,283	4,712	81,318	2,412	82,089	2,236	81,922
3.2 Loan	6,713	170,503	4,273	171,748	4,757	170,317	6,258	167,002
3.3 Currency and Deposits	20,861	127,109	16,667	122,008	21,325	126,455	26,535	130,220
3.4 Other Assets/Liabilities	15,311	12,706	16,084	14,713	15,248	11,622	15,270	9,468
4 Reserves	360,177	–	350,288	–	363,506	–	371,990	–
5 Total Assets/ Liabilities	550,062	911,220	529,549	886,551	552,280	905,124	564,788	932,399
6 IIP (Assets - Liabilities)		–361,158		–357,002		–352,844		–367,611

Payment and Settlement Systems

No. 43: Payment System Indicators

System	Volume (Million)				Value (₹ Billion)			
	2015-16	2016		2017	2015-16	2016		2017
		Nov.	Dec.	Jan.		Nov.	Dec.	Jan.
	1	2	3	4	5	6	7	8
1 RTGS	**98.34**	**7.88**	**8.84**	**9.33**	**1,035,551.64**	**101,894.49**	**110,980.33**	**100,602.54**
1.1 Customer Transactions	93.95	7.56	8.47	8.98	700,899.82	66,880.17	72,702.57	68,863.65
1.2 Interbank Transactions	4.37	0.32	0.37	0.35	123,678.19	11,599.02	11,393.90	8,622.42
1.3 Interbank Clearing	0.016	0.002	0.002	0.002	210,973.63	23,415.30	26,883.86	23,116.47
2 CCIL Operated Systems	**3.12**	**0.35**	**0.31**	**0.32**	**807,370.42**	**97,225.02**	**95,947.71**	**88,068.84**
2.1 CBLO	0.22	0.02	0.02	0.02	178,335.28	17,637.88	24,112.95	21,189.97
2.2 Govt. Securities Clearing	1.02	0.17	0.13	0.12	269,778.20	40,141.88	38,256.72	34,408.21
2.2.1 Outright	0.88	0.15	0.12	0.11	97,285.41	20,487.42	14,966.26	13,427.04
2.2.2 Repo	0.134	0.015	0.015	0.014	172,492.78	19,654.46	23,290.46	20,981.17
2.3 Forex Clearing	1.89	0.17	0.16	0.19	359,256.94	39,445.26	33,578.04	32,470.67
3 Paper Clearing	**1,096.37**	**93.50**	**138.82**	**131.17**	**81,860.79**	**5,845.13**	**7,289.40**	**7,281.23**
3.1 Cheque Truncation System (CTS)	958.39	87.08	130.01	118.45	69,889.15	5,419.22	6,811.91	6,618.44
3.2 MICR Clearing	–	-	-	-	–	–	–	–
3.2.1 RBI Centres	–	-	-	-	–	–	–	–
3.2.2 Other Centres	–	-	-	-	–	–	–	–
3.3 Non-MICR Clearing	137.98	6.42	8.81	12.71	11,971.64	425.92	477.49	662.79
4 Retail Electronic Clearing	**3,141.53**	**312.76**	**418.98**	**386.31**	**91,408.14**	**9,748.58**	**12,610.71**	**12,399.63**
4.1 ECS DR	224.75	0.28	0.25	0.20	1,651.50	1.38	1.55	1.43
4.2 ECS CR (includes NECS)	39.00	0.76	0.91	0.76	1,059.44	7.89	12.84	10.51
4.3 EFT/NEFT	1,252.88	123.05	166.31	164.19	83,273.11	8,807.88	11,537.63	11,355.08
4.4 Immediate Payment Service (IMPS)	220.81	36.17	52.78	62.42	1,622.26	324.81	431.92	491.25
4.5 National Automated Clearing House (NACH)	1,404.08	152.51	198.72	158.74	3,801.83	606.62	626.76	541.36
5 Cards	**10,038.67**	**896.14**	**1,162.39**	**1,154.21**	**29,397.65**	**1,823.25**	**1,742.03**	**2,335.10**
5.1 Credit Cards	791.67	98.31	116.46	113.24	2,437.02	266.99	312.37	328.62
5.1.1 Usage at ATMs	6.00	0.40	0.38	0.44	30.41	1.39	0.88	1.54
5.1.2 Usage at POS	785.67	97.91	116.08	112.80	2,406.62	265.59	311.49	327.08
5.2 Debit Cards	9,247.00	797.82	1,045.93	1,040.97	26,960.63	1,556.26	1,429.65	2,006.48
5.2.1 Usage at ATMs	8,073.39	561.36	630.47	712.35	25,371.36	1,234.52	849.34	1,516.44
5.2.2 Usage at POS	1,173.61	236.47	415.46	328.62	1,589.27	321.74	580.31	490.04
6 Prepaid Payment Instruments (PPIs)	**748.02**	**169.32**	**261.09**	**295.45**	**487.58**	**50.74**	**97.70**	**108.69**
6.1 m-Wallet	603.98	138.09	213.11	261.67	205.84	33.06	74.48	83.53
6.2 PPI Cards	143.47	31.19	47.93	33.73	253.77	15.34	20.89	22.90
6.3 Paper Vouchers	0.56	0.04	0.05	0.05	27.97	2.34	2.32	2.26
7 Mobile Banking	**389.49**	**87.47**	**110.64**	**106.12**	**4,040.91**	**1,365.70**	**1,498.18**	**1,382.98**
8 Cards Outstanding	**686.04**	**772.36**	**789.44**	**846.83**	–	–	–	–
8.1 Credit Card	24.51	27.78	28.32	28.85	–	–	–	–
8.2 Debit Card	661.54	744.58	761.12	817.98	–	–	–	–
9 Number of ATMs (in actuals)	**212061**	**219973**	**219793**	**220402**	–	–	–	–
10 Number of POS (in actuals)	**1385668**	**1590714**	**1767733**	**2015847**	–	–	–	–
11 Grand Total (1.1+1.2+2+3+4+5+6)	**15,126.04**	**1,479.95**	**1,990.42**	**1,976.79**	**1,835,102.59**	**193,171.92**	**201,784.01**	**187,679.56**

Note : Data for latest 12 month period is provisional.

Occasional Series

No. 44: Small Savings

(₹ Billion)

Scheme		2015-16	2015	2016		
			Aug.	Jun.	Jul.	Aug.
		1	2	3	4	5
1 Small Savings	**Receipts**	**3,224.88**	**280.12**	**343.61**	**333.82**	**334.03**
	Outstanding	**6,805.58**	**6,411.77**	**6,841.19**	**6,859.78**	**6,877.30**
1.1 Total Deposits	**Receipts**	**2,820.87**	**244.01**	**314.49**	**311.09**	**308.08**
	Outstanding	**4,287.13**	**4,040.92**	**4,338.97**	**4,354.83**	**4,374.73**
1.1.1 Post Office Saving Bank Deposits	Receipts	1,574.15	129.36	192.62	192.81	189.60
	Outstanding	615.67	517.28	678.35	692.39	707.61
1.1.2 MGNREG	Receipts	0.00	0.00	0.00	0.00	0.00
	Outstanding	0.00	0.00	0.00	0.00	0.00
1.1.3 National Saving Scheme, 1987	Receipts	0.51	0.01	–0.01	0.00	0.30
	Outstanding	34.97	35.86	33.98	33.76	33.85
1.1.4 National Saving Scheme, 1992	Receipts	0.06	0.00	0.00	0.00	0.00
	Outstanding	1.21	2.01	1.04	0.44	–0.21
1.1.5 Monthly Income Scheme	Receipts	315.26	28.91	28.91	29.69	31.02
	Outstanding	1,938.08	1,979.07	1,882.73	1,868.83	1,855.13
1.1.6 Senior Citizen Scheme	Receipts	103.21	8.44	7.66	7.73	7.70
	Outstanding	228.76	172.45	239.61	242.74	248.52
1.1.7 Post Office Time Deposits	Receipts	424.53	40.74	40.85	41.46	40.83
	Outstanding	706.35	579.74	725.14	732.53	738.96
1.1.7.1 1 year Time Deposits	Outstanding	498.16	412.22	503.55	505.54	506.55
1.1.7.2 2 year Time Deposits	Outstanding	29.96	22.24	31.13	31.70	32.28
1.1.7.3 3 year Time Deposits	Outstanding	47.82	42.43	48.63	48.90	49.17
1.1.7.4 5 year Time Deposits	Outstanding	130.41	102.85	141.83	146.39	150.96
1.1.8 Post Office Recurring Deposits	Receipts	403.15	36.55	44.46	39.30	38.63
	Outstanding	761.79	754.16	777.82	783.74	790.47
1.1.9 Post Office Cumulative Time Deposits	Outstanding	0.08	0.08	0.08	0.18	0.18
1.1.10 Other Deposits	Receipts	0.05	0.00	0.00	0.00	0.00
	Outstanding	0.22	0.27	0.22	0.22	0.22
1.2 Saving Certificates	**Receipts**	**326.10**	**31.63**	**23.06**	**17.70**	**21.41**
	Outstanding	**1,942.42**	**1,845.99**	**1,928.97**	**1,930.16**	**1,936.09**
1.2.1 National Savings Certificate VIII issue	Receipts	98.26	8.83	6.54	5.57	6.90
	Outstanding	881.39	870.22	867.65	866.00	866.04
1.2.2 Indira Vikas Patras	Receipts	0.00	0.00	0.00	0.00	0.00
	Outstanding	8.91	8.87	8.87	8.87	8.92
1.2.3 Kisan Vikas Patras	Receipts	14.66	–0.61	–	0.10	0.03
	Outstanding	648.58	754.94	613.57	604.34	595.60
1.2.4 Kisan Vikas Patras - 2014	Receipts	213.18	23.41	16.52	12.03	14.48
	Outstanding	291.18	106.63	326.5	338.52	353
1.2.5 National Saving Certificate VI issue	Receipts	0.04	–	–	–	–
	Outstanding	–0.89	–0.86	–0.98	–1.00	–1.00
1.2.6 National Saving Certificate VII issue	Outstanding	–0.57	–0.55	–0.60	–0.60	–0.57
1.2.7 Other Certificates	Outstanding	113.82	106.74	113.96	114.03	114.10
1.3 Public Provident Fund	**Receipts**	**77.91**	**4.48**	**6.06**	**5.03**	**4.54**
	Outstanding	**576.03**	**524.86**	**573.25**	**574.79**	**566.48**

Source: Accountant General, Post and Telegraphs.

TABLE 45 : OWNERSHIP PATTERN OF CENTRAL AND STATE GOVERNMENTS SECURITIES

(Per cent)

Central Government Dated Securities					
Category	2015	2016			
	Dec.	Mar.	Jun.	Sep.	Dec.
	1	2	3	4	5
(A) Total (in ₹. Billion)	**44870.80**	**45324.73**	**46422.34**	**47967.49**	**49246.98**
1 Commercial Banks	43.59	41.81	39.90	40.00	40.92
2 Non-Bank PDs	0.35	0.33	0.45	0.14	0.28
3 Insurance Companies	21.90	22.18	22.63	22.68	22.55
4 Mutual Funds	2.52	2.09	2.09	2.13	1.96
5 Co-operative Banks	2.71	2.75	2.68	2.47	2.63
6 Financial Institutions	0.68	0.72	0.71	0.84	0.86
7 Corporates	0.86	1.28	1.31	1.09	1.05
8 Foreign Portfolio Investors	3.68	3.65	3.63	3.82	3.13
9 Provident Funds	7.11	6.01	5.89	6.25	6.24
10 RBI	12.07	13.47	14.88	14.80	14.61
11. Others	4.51	5.72	5.83	5.79	5.77
11.1 State Governments	1.73	1.84	1.84	1.84	1.83

State Governments Securities					
Category	2015	2016			
	Dec.	Mar.	Jun.	Sep.	Dec.
	1	2	3	4	5
(B) Total (in ₹. Billion)	**14471.93**	**16313.95**	**17277.70**	**18114.95**	**19343.91**
1 Commercial Banks	40.17	42.11	41.20	40.22	41.25
2 Non-Bank PDs	0.21	0.27	0.38	0.35	0.30
3 Insurance Companies	34.06	32.50	32.53	32.67	31.87
4 Mutual Funds	0.68	1.05	1.36	1.62	1.36
5 Co-operative Banks	3.72	3.92	4.01	4.21	4.47
6 Financial Institutions	0.22	0.25	0.25	0.27	0.29
7 Corporates	0.17	0.13	0.13	0.14	0.13
8 Foreign Portfolio Investors	0.25	0.27	0.22	0.08	0.06
9 Provident Funds	16.69	15.95	16.39	16.84	16.81
10 RBI	0.02	0.04	0.02	0.01	0.03
11. Others	3.81	3.51	3.52	3.59	3.43
11.1 State Governments	-	-	-	-	-

Treasury Bills					
Category	2015	2016			
	Dec.	Mar.	Jun.	Sep.	Dec.
	1	2	3	4	5
(C) Total (in ₹. Billion)	**4256.00**	**3644.02**	**4310.09**	**4202.40**	**4366.47**
1 Commercial Banks	58.91	71.79	54.41	52.58	50.47
2 Non-Bank PDs	2.14	1.93	1.85	1.38	1.80
3 Insurance Companies	2.19	1.50	1.83	1.91	2.02
4 Mutual Funds	5.86	1.66	11.77	16.06	12.91
5 Co-operative Banks	1.90	2.75	2.23	3.52	3.28
6 Financial Institutions	3.80	3.61	3.09	2.75	2.76
7 Corporates	2.30	1.79	2.22	1.21	1.81
8 Foreign Portfolio Investors	-	-	-	-	-
9 Provident Funds	0.06	0.25	0.03	0.45	0.43
10 RBI	0.23	0.31	0.25	0.16	0.09
11. Others	22.62	14.42	22.30	19.96	24.44
11.1 State Governments	19.26	10.52	18.26	15.98	20.51

Explanatory Notes to the Current Statistics

Table No. 1

1.2 & 6: Annual data are averages of months.

3.5 & 3.7: Relate to ratios of increments over financial year so far.

4.1 to 4.4, 4.8, 4.12 & 5: Relate to the last day of the month/financial year.

4.5, 4.6 & 4.7: Relate to five major banks on the last Friday of the month/financial year.

4.9 to 4.11: Relate to the last auction day of the month/financial year.

Table No. 2

2.1.2: Include paid-up capital, reserve fund and Long-Term Operations Funds.

2.2.2: Include cash, fixed deposits and short-term securities/bonds, *e.g.*, issued by IIFC (UK).

Table No. 4

Maturity-wise position of outstanding forward contracts is available at http://nsdp.rbi.org.in under ''Reserves Template''.

Table No. 5

Special refinance facility to Others, i.e. to the EXIM Bank, is closed since March 31, 2013.

Table No. 6

For scheduled banks, March-end data pertain to the last reporting Friday.

2.2: Exclude balances held in IMF Account No.1, RBI employees' provident fund, pension fund, gratuity and superannuation fund.

Table Nos. 7 & 11

3.1 in Table 7 and 2.4 in Table 11: Include foreign currency denominated bonds issued by IIFC (UK).

Table No. 8

NM_2 and NM_3 do not include FCNR (B) deposits.

2.4: Consist of paid-up capital and reserves.

2.5: includes other demand and time liabilities of the banking system.

Table No. 9

Financial institutions comprise EXIM Bank, SIDBI, NABARD and NHB.

L_1 and L_2 are compiled monthly and L_3 quarterly.

Wherever data are not available, the last available data have been repeated.

Table No. 13

Data against column Nos. (1), (2) & (3) are Final (including RRBs) and for column Nos. (4) & (5) data are Provisional (excluding RRBs)

Table No. 15 & 16

Data are provisional and relate to select banks which cover 95 per cent of total non-food credit extended by all scheduled commercial banks (excludes ING Vysya which has been merged with Kotak Mahindra since April 2015).

Export credit under priority sector relates to foreign banks only.

Micro & small under item 2.1 includes credit to micro & small industries in manufacturing sector.

Micro & small enterprises under item 5.2 includes credit to micro & small enterprises in manufacturing as well as services sector.

Priority Sector is as per old definition and does not conform to FIDD Circular FIDD.CO.Plan.BC.54/04.09.01/2014-15 dated April 23, 2015.

Table No. 17

2.1.1: Exclude reserve fund maintained by co-operative societies with State Co-operative Banks

2.1.2: Exclude borrowings from RBI, SBI, IDBI, NABARD, notified banks and State Governments.

4: Include borrowings from IDBI and NABARD.

Table No. 24

Primary Dealers (PDs) include banks undertaking PD business.

Table No. 30

Exclude private placement and offer for sale.

1: Exclude bonus shares.

2: Include cumulative convertible preference shares and equi-preference shares.

Table No. 32

Exclude investment in foreign currency denominated bonds issued by IIFC (UK), SDRs transferred by Government of India to RBI and foreign currency received under SAARC SWAP arrangement. Foreign currency assets in US dollar take into account appreciation/depreciation of non-US currencies (such as Euro, Sterling, Yen and Australian Dollar) held in reserves. Foreign exchange holdings are converted into rupees at rupee-US dollar RBI holding rates.

Table No. 34

1.1.1.1.2 & 1.1.1.1.1.4: Estimates.

1.1.1.2: Estimates for latest months.

'Other capital' pertains to debt transactions between parent and subsidiaries/branches of FDI enterprises.

Data may not tally with the BoP data due to lag in reporting.

Table No. 35

1.10: Include items such as subscription to journals, maintenance of investment abroad, student loan repayments and credit card payments.

Table No. 36

Increase in indices indicates appreciation of rupee and vice versa. For 6-Currency index, base year 2012-13 is a moving one, which gets updated every year. REER figures are based on Consumer Price Index (combined). Methodological details are available in December 2005 and April 2014 issues of the Bulletin.

Table No. 37

Based on applications for ECB/Foreign Currency Convertible Bonds (FCCBs) which have been allotted loan registration number during the period.

Table Nos. 38, 39, 40 & 41

Explanatory notes on these tables are available in December issue of RBI Bulletin, 2012.

Table No. 43

1.3: Pertain to multiateral net settlement batches.

3.1: Pertain to three centres – Mumbai, New Delhi and Chennai.

3.3: Pertain to clearing houses managed by 21 banks.

6: Available from December 2010.

7: Include IMPS transactions.

9: Includes ATMs deployed by Scheduled Commercial banks and White Label ATMs (WLA). WLA are included from April 2014 onwards.

Table No. 45

(-): represents nil or negligible

The table format incorporates the ownership pattern of State Governments Securities and Treasury Bills along with the Central Government Securities. In addition, State Governments' holding of securities are shown as a separate category for the first time.

State Government Securities include special bonds issued under Ujwal DISCOM Assurance Yojana (UDAY) scheme.

Bank PDs are clubbed under Commercial Banks. However, they form very small fraction of total outstanding securities.

The category 'Others' comprises State Governments, Pension Funds, PSUs, Trusts, HUF/Individuals etc.

Detailed explanatory notes are available in the relevant press releases issued by RBI and other publications/releases of the Bank such as **Handbook of Statistics on the Indian Economy**.

Recent Publications of the Reserve Bank of India

Name of Publication	Price	
	India	Abroad
1. Reserve Bank of India Bulletin 2017	₹300 per copy (over the counter) ₹350 per copy (inclusive of postage) ₹4,200 (one year subscription - inclusive of postage) ₹3,150 (one year concessional rate*) ₹3,360 (one year subscription - inclusive of postage@) ₹2,520 (one year concessional rate@)	US$ 15 per copy (inclusive of postage) US$ 180 (one-year subscription) (inclusive of air mail courier charges)
2. Handbook of Statistics on the Indian States 2015-16	₹550 (Normal) ₹600 (inclusive of postage)	US$ 22 (inclusive of air mail courier charges)
3. Handbook of Statistics on the Indian Economy 2015-16	₹500 (Normal) ₹550 (inclusive of postage) ₹375 (concessional) ₹425 (concessional with postage)	US$ 50 (inclusive of air mail courier charges)
4. Report on Currency and Finance 2009-12 Fiscal-Monetary Co-ordination	₹515 (normal) ₹555 (inclusive of postage)	US$ 16 per copy (inclusive air mail courier charges)
5. Report on Currency and Finance 2003-08 Vol. I to V (Special Issue)	₹1,100 (normal) ₹ 1,170 (inclusive of postage) ₹ 830 (concessional) ₹ 900 (concessional inclusive of postage)	US$ 55 per copy (inclusive air mail courier charges)
6. State Finances - A Study of Budgets of 2015-16	₹430 per copy (over the counter) ₹480 per copy (including postal charges)	US$ 22 per copy (inclusive air mail courier charges)
7. Handbook of Statistics on State Government Finances 2010	CD-ROM ₹80 (normal) ₹105 (inclusive of postage) ₹60 (concessional) ₹85 (concessional inclusive of postage)	US$ 16 per CD (inclusive of air mail courier charges) US$ 4 per CD (inclusive of registered air mail charges)
8. CD Compendium of Articles on State Finances (1950-51 to 2010-11)	₹280 (over the counter) ₹305 (inclusive of postal charges) ₹210 (concessional) ₹235 (concessional inclusive of postage)	US$ 8 (inclusive of air mail book post charges)
9. Mint Road Milestones RBI at 75	₹1,650 per copy (over the counter)	US$ 50 per copy (inclusive of air mail courier charges)
10. India's Financial Sector, An Assessment Vol. I to VI 2009	₹2,000 per copy (over the counter) ₹2,300 per copy (inclusive postal charges) ₹1,500 per copy (concessional price) ₹1,800 per copy (concessional inclusive of postage)	US$ 40 per set and US$ 120 per set (inclusive of air mail courier charges)
11. The Paper and the Promise: A Brief History of Currency & Banknotes in India, 2009	₹200 per copy (over the counter)	US$ 30 per copy (inclusive of air mail courier charges)
12. Report of the committee on Fuller Capital account Convertibility (Tarapore Committee Report II)	₹140 per copy (normal) ₹170 (per copy by post)	US$ 25 per copy ((inclusive of air mail courier charges)
13. A Profile of Banks 2012-13	₹80 per copy (over the counter) ₹110 per copy (inclusive of postal charges)	US$ 7 per copy (inclusive of air mail courier charges)
14. Selected Banking Indicators 1981 to 2002 (On CD-ROM)	₹250 per CD (over the counter) ₹300 per CD (including postal charges)	US$ 75 (per CD) (inclusive of air mail courier charges)

Name of Publication	Price	
	India	Abroad
15. Statistical Tables Relating to Banks in India 2012-13	₹240 per copy (over the counter) ₹300 (inclusive of postage)	US$ 13 per copy (inclusive of air mail courier charges)
16. Quarterly Statistics on Deposits and Credit of Scheduled Commercial Banks 1981-2003 (on CD-ROM)	₹185 per copy (over the counter) ₹240 per copy (including postal charges)	US$ 20 per copy US$ 55 per copy (inclusive of air mail courier charges)
17. Basic Statistical Returns of Scheduled Commercial Banks in India Vol. 41 March 2012	₹270 per copy (over the counter) ₹310 per copy (inclusive of postal charges)	US$ 10 per copy (inclusive of air mail courier charges)
18. Private Corporate Business Sector in India - Selected Financial Statistics from 1950-51 to 1997-98	₹500 per CD (over the counter)	US$ 100 per CD ROM (inclusive of air mail courier charges)
19. Banking Glossary (2012)	₹80 per copy (over the counter) ₹120 per copy (inclusive of postal charges)	
20. Anuvad Ke Vividh Aayam (Hindi)	₹165 per copy (over the counter) ₹205 per copy (inclusive of postal charges)	
21. Bank Me Rajbhasha Niti Ka Karyanvayan: Dasha Aur Disha (Hindi)	₹150 per copy (over the counter) ₹200 per copy (inclusive of postal charges)	

Notes

1. Many of the above publications are available at the RBI website (www.rbi.org.in).
2. Time Series data are available at the Database on Indian Economy (http://dbie.rbi.org.in).
3. The Reserve Bank of India History 1935-1997 (4 Volumes), Challenges to Central Banking in the Context of Financial Crisis and the Regional Economy of India: Growth and Finance are available at leading book stores in India.

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