

~~CONFIDENTIAL~~

PD-ACC-367



**AGENCY FOR
INTERNATIONAL
DEVELOPMENT**

**PROGRAM MEMORANDUM
FY 1969
INDIA**

GNP and BALANCE OF PAYMENTS TABLES

**DEPARTMENT
OF
STATE**



FEBRUARY 1968

BEST AVAILABLE

~~CONFIDENTIAL~~

AID 1029-1 (7-64)	1. DATA CURRENT AS OF:	2. COOPERATING COUNTRY	SECURITY CLASSIFICATION CONFIDENTIAL		
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C-1 and C-4 BALANCE OF PAYMENTS TABLES

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Group 4
Downgraded at 3-year intervals.
Declassified 12 years after date
of origin.

AID 1020-13 (4-85) C-1	DATA CURRENT AS OF: January 19, 1968	COOPERATING COUNTRY INDIA	SECURITY CLASSIFICATION UNCLASSIFIED 1966/67	GROSS NATIONAL PRODUCT	C-1
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	I. CURRENT MARKET PRICES National Currency Units: Rs. crores *				II. CONSTANT MARKET PRICES - MILLIONS OF U.S. DOLLAR EQUIVALENTS ALL FIGURES CONVERTED AT 1966/67 EXCHANGE RATE OF \$1 = Rs. 7.50								
	ACTUAL		ESTIMATED		(0) BENCH-MARK PER. (AVERAGES) 19 60/61 thru 1961/62	ACTUAL			ESTIMATED		PROJECTED		
	(1)	(2)	(3)	(4)		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<input type="checkbox"/> CALENDAR YEAR													
<input checked="" type="checkbox"/> FISCAL YEAR	Beginning: <u>April 1</u> Ending: <u>March 31</u>												
A. GROSS NATIONAL PRODUCT (At Market Prices)	23,308	24,273	27,671	32,308	31,595	37,828	36,383	36,895	40,293	42,181			
1. PER CAPITA GNP (Rupees or \$)	487	496	552	628	71.96	79.11	74.29	73.55	78.37	80.05			
B. NET FOREIGN BALANCE [INFLOW (+)]	628	641	1,034	1,100	858	1,319	1,346	1,379	1,466	1,666			
GOODS AND SERVICES	1. IMPORTS (+)		2. EXPORTS (-)										
C. TOTAL AVAILABLE RESOURCES	23,936	24,914	28,705	33,408	32,453	39,147	37,729	38,274	41,759	43,847			
D. TOTAL CONSUMPTION	20,080	21,041	24,685	28,425	27,957	32,708	31,828	32,913	35,370	37,465			
1. PRIVATE	18,025	18,665	21,975	25,525	25,585	29,360	28,233	29,300	31,757	33,705			
2. GENERAL GOVERNMENT - ALL LEVELS	2,055	2,376	2,710	2,900	2,372	3,348	3,595	3,613	3,613	3,760			
E. TOTAL FIXED INVESTMENT (GROSS)	3,491	3,923	4,120	4,448	3,933	5,830	5,977	5,494	5,702	6,049			
1. PRIVATE	1,585	1,780	1,949	2,170	2,056	2,647	2,712	2,599	2,782	2,970			
2. PUBLIC ENTERPRISE	1,906	2,143	2,171	2,278	1,877	3,183	3,265	2,895	2,920	3,079			
3. GENERAL GOVERNMENT (Excl. Defense)													
F. CHANGE IN STOCKS (Private Sector only)	365	50	100	535	563	609	76	133	687	333			
G. TOTAL NATIONAL SAVINGS	3,228	3,232	2,986	3,883	3,638	5,120	4,555	3,981	4,923	4,716			
1. PRIVATE													
2. PUBLIC ENTERPRISES													
3. GENERAL GOVERNMENT													
H. NET CURRENT TRANSFERS FROM REST OF WORLD													

	III. TRENDS IN CONSTANT PRICES, INDEXES 1962 = 100								IV. PERCENT OF GNP IN CONSTANT PRICES									
	(0) BENCH-MARK PERIOD*	ACTUAL			EST.		PROJECTED			(0) BENCH-MARK PERIOD*	ACTUAL			EST.		PROJECTED		
		(1) 64/65	(2) 65/66	(3) 66/67	(4) 67/68	(5) 68/69	(6)	(7)	(8)		(1) 64/65	(2) 65/66	(3) 66/67	(4) 67/68	(5) 68/69	(6)	(7)	(8)
A. GROSS NATIONAL PRODUCT	100.00	119.73	115.15	116.77	127.53	133.51												
1. PER CAPITA GNP	100.00	109.94	103.24	102.21	108.91	111.24												
B. GOODS AND SERVICES										2.72	3.49	3.70	3.74	3.64	3.95			
1. IMPORTS																		
2. EXPORTS																		
D. TOTAL CONSUMPTION	100.00	116.99	113.85	117.73	126.52	134.01				88.49	86.46	87.48	89.21	87.78	88.82			
1. PRIVATE	100.00	114.75	110.39	114.52	124.12	131.74				80.98	77.61	77.60	79.42	78.82	79.91			
2. GENERAL GOVERNMENT	100.00	141.15	151.56	152.32	152.32	158.52				7.51	8.85	9.88	9.79	8.97	8.91			
E. TOTAL FIXED INVESTMENT (GROSS)	100.00	148.23	151.97	139.66	144.98	153.80				12.45	15.41	16.43	14.89	14.15	14.34			
1. PRIVATE	100.00	128.75	131.91	126.41	135.31	144.46				6.51	7.00	7.46	7.04	6.90	7.04			
2. PUBLIC ENTERPRISES																		
3. GENERAL GOVERNMENT (Excl. Defense)	100.00	169.58	173.95	154.24	155.57	164.04				5.94	8.41	8.97	7.85	7.25	7.30			
G. TOTAL NATIONAL SAVINGS	100.00	140.74	125.21	109.43	135.32	129.63				11.51	13.53	12.52	10.79	12.22	11.18			

	V. MARGINAL SAVINGS RATIOS				VI. INCREMENTAL GROSS CAPITAL/OUTPUT RATIOS			
	19 ___ / ___ to 19 ___ / ___ :	19 ___ / ___ to 19 ___ / ___ :	19 ___ / ___ to 19 ___ / ___ :	19 ___ / ___ to 19 ___ / ___ :	19 ___ / ___ to 19 ___ / ___ :	19 ___ / ___ to 19 ___ / ___ :	19 ___ / ___ to 19 ___ / ___ :	19 ___ / ___ to 19 ___ / ___ :
* Same period as used for averages in Section II, Column (0).								

* One crore = 10 million.

Exchange Rate in Last Actual Year (Col. (3)) was \$1 = Rs. 4.76 up to June 6, 1966 and Rs. 7.50 afterwards.

SECURITY CLASSIFICATION: **UNCLASSIFIED**

AID 1020-1 (7-64)	1. DATA CURRENT AS OF:	2. COOPERATING COUNTRY	SECURITY CLASSIFICATION	GROSS NATIONAL PRODUCT	STATISTICAL TABLES
C-1	January 19, 1968	INDIA	UNCLASSIFIED		

Appendix to Table C-1

Sources and Methodology Used in Table C-1

GNP Series

The GOI released revised series of estimates of national product for FYs 1960/61 to 1966/67 ^{a/} in mid-December 1967. The revised series provide estimates of GNP at market prices for the years up to 1965/66, and an estimate of GNP at factor cost for FY 1966/67. The methodology adopted in constructing the revised series is fully explained in CSO's (Central Statistical Organization) publication entitled "Brochure on Revised Series of National Product for 1960/61 to 1964/65 (August 1967)".

In absence of GNP series for FY 1966/67, it has been necessary to adjust gross national product estimate of Central Statistical Organization by adding (to gross national product) an estimate of indirect taxes less subsidies based on historical relationships to arrive at an estimate of GNP at market prices.

The GNP series for FYs 1967/68 and 1968/69 are either estimated or projected by making an estimate or projection of net domestic product at factor cost based on the likely growth of individual sectors of the economy, and to these estimates of net domestic product are added the estimated or projected figures for depreciation and indirect taxes less subsidies and factor income inflow (deduct for factor income outflow) to arrive at the estimates of GNP at market prices.

The estimates of GNP at constant 1966/67 market prices are worked out via price deflator implicit in GNP as given in Table 5.

NET FOREIGN BALANCES

The data for FYs 1964/65 to 1967/68 are derived from Table C-4, while data for the earlier years are reconstructed from balance of payments data on the basis of methodology adopted for Table C-4. Net foreign balances at current prices are calculated on the basis of exchange rate prevailing in individual years; while at constant price series, the current rate of exchange \$1 = Rs. 7.50 is used.

^{a/} Central Statistical Organization, Department of Statistics, Cabinet Secretariat, Government of India: Estimates of National Product (Revised Series) 1960/61 to 1966/67 (October 1967), referred as "White Paper" on national income in the text.

GROSS INVESTMENT

Public Sector: The estimates of gross fixed investment (include some inventories) at current market prices are derived by adding estimates of depreciation/replacement to the PC's (Planning Commission) data on Plan net investment. Data for Plan investment for the years up to FY 1967/68 are taken from a Planning Commission document. The depreciation/replacement figures for the years up to FY 1964/65 are taken from CSO's "White Paper" on national income, while figures for FYs 1965/66 and 1966/67 are derived from estimates of total depreciation/replacement in the economy in the "White Paper" on national income. FYs 1967/68 and 1968/69 figures for depreciation/replacement are either estimated or projected on the basis of historical relationship between income growth and depreciation/replacement provisions in the economy.

Private Sector: The estimates of gross fixed investment at current prices are also derived by adding estimates of depreciation/replacement to the estimates of net fixed investment. The sources of data or methodology adopted to make estimates or projection of depreciation/replacement are same as adopted for making estimates or projections for the public sector. Table below presents the estimates of net investment (net fixed investment and changes in stocks) from FY 1960/61 to FY 1966/67 and also notes the sources of data.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF:	2. COOPERATING COUNTRY	SECURITY CLASSIFICATION	GROSS NATIONAL PRODUCT	STATISTICAL TABLES
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Table 1: Private Net Investment in the Indian Economy

(Rupees crores, at current prices)

FYs	Domestic Corporate Sector			Private Non-Corporate Sector ^{a/}			Private Sector		
	Net Fixed Investment	Changes in Stocks	Total ^{b/}	Net Fixed Investment	Changes in Stocks	Total ^{c/}	Net Fixed Investment	Changes in Stocks	Total
1960/61	77	160	237	310	240	550	387	400	787
1961/62	145	144	289	356	50	406	501	194	695
1962/63	138	174	312	402	100	502	540	274	814
1963/64	211	131	342	442	180	622	653	311	964
1964/65	230	150	380	460	215	675	690	365	1,055
1965/66	250	50	300	560	-100	460	810	- 50	760
1966/67	300	50	350	600	-150	450	900	-100	800

a/ Excluding investment financed by transfer of resources from public sector.

b/ Economic Times, November 2, 1964 for years up to 1963/64. Estimated for the remaining years on the basis of Corporate Sector balance sheet analysis in Economic Times and Financial Express.

c/ For years up to FY 1962/63, derived from RBI savings study on the basis of implicit relationships cited in the RBI savings study in connection with estimates of self produced capital in the rural and urban sector. Estimates for the subsequent years are related approximately to the domestic availability of cement, iron and steel products for the use of non-domestic corporate sector and behavior response of this sector to inventory levels for agricultural commodities to various levels of output of agricultural commodities.

The estimated or projected level of net investment in FYs 1967/68 and 1968/69 are related approximately to the domestic availability of cement and iron and steel products in these years for non-corporate sector and to likely levels of corporate investment activity. The estimate for FY 1967/68 assumes an increase of 3 percent total fixed investment level over the previous year level, while the projected increase of 7 percent in 1968/69 assumes revival in economic activity as farmers realize larger income from 1967/68 crop, and its reflection into better demand levels for industrial products.

Table 2 details the estimates of gross fixed investment at current prices in public and private sectors. Table 3 provides the same data at constant 1966/67 prices. The estimates of investment at 1966/67 market prices are worked out via the investment cost index as given in Table 5.

TOTAL CONSUMPTION

Total consumption at current prices is derived by deducting gross investment (gross fixed investment plus changes in stocks) from total available resources.

Government Consumption: The data for years up to FY 1965/66 are derived from Table 6 of the "White Paper" on national income. The consumption expenditures of government sector consist of compensation to employees (wages, salaries, and pensions) and net purchase of commodities and services on the part of government administration only. The consumption expenditures for FYs 1966/67 and 1967/68 are estimated on the basis of consumption expenditures of GOI (as given in GOI's publication "An Economic Classification of the Central Government Budget 1967/68 with Accounts for Three Plan Periods"), and an estimate of consumption expenditures for "Other" levels of government on an assumption that consumption expenditures of "Other" levels of government are approximately 80 percent of revenue expenditure of

AID 1020-1 (7-64) C-1	1. DATA CURRENT AS OF: January 19, 1968	2. COOPERATING COUNTRY INDIA	SECURITY CLASSIFICATION UNCLASSIFIED	GROSS NATIONAL PRODUCT	STATISTICAL TABLES
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state government excluding debt service. Table below provides the consumption expenditures for all levels of government administration, Government of India, and other levels of governments.

Table 4: Government Consumption Expenditures
FYs 1960/61 to 1967/68

FYs	(Rupees crores at current prices)		
	Government - all levels	GOI	Others
1960/61	1,100	433	667
1961/62	1,223	478	745
1962/63	1,480	660	820
1963/64	1,916	1,003	913
1964/65	2,055	1,006	1,049
1965/66	2,376	1,109	1,267
1966/67 ^{a/}	2,710	1,247	1,463 (Est.)
1967/68 ^{b/}	2,900	1,279	1,621 (Est.)

a/ Based on revised budget estimates.

b/ Budget estimates.

c/ Government of India, Economic Division, Department of Economic Affairs, Ministry of Finance: An Economic Classification of the Central Government Budget 1967/68 with accounts for three Plan Periods (New Delhi, 1967).

Private Consumption at Current Prices: This is derived as residual by deducting estimates for government consumption from total consumption in respective years.

Allocation of Total Consumption into Government and Private Consumption at Constant 1966/67 Market Prices: This allocation is done on the basis that shares of government and private sectors in total consumption at constant 1966/67 prices in individual years will remain the same as their share in total consumption at current prices.

NATIONAL SAVINGS:

National savings are derived by deducting net foreign balances from the sum of gross fixed investment and changes in stocks.

Price Deflation: Price deflator implicit in net domestic product at factor cost for the years up to FY 1966/67 is derived from the series of net domestic product at factory at current and constant 1960/61 prices as given in the "White Paper" on national income. Price deflator implicit in NDP for FY 1967/68 is worked out on its relationship to expected level of wholesale prices.

Investment Cost Index is derived from the PC's (Planning Commission) series of total investment at current and constant 1960/61 prices. Due to non-availability of separate series of fixed investment cost index and inventories cost index, the estimates of fixed investment and changes in stocks at constant 1966/67 prices are worked out via investment cost index.

Price deflator implicit in GNP is worked out from the Mission's series of gross national product at current and constant 1966/67 market prices.

Table 5: Indices of Wholesale Prices, Price Deflator Implicit in Net Domestic Product and GNP and Investment Cost
FYs 1960/61 to 1966/67

FYs	Price deflator implicit in		Investment Cost	Wholesale Price Index (average of months)
	NDP	GNP		
1960/61	65.23	65.43	69.44	65.32
1961/62	66.52	66.80	72.22	65.43
1962/63	69.06	69.39	75.00	66.89
1963/64	75.79	75.94	77.08	70.76
1964/65	82.11	82.15	79.86	79.86
1965/66	88.78	87.99	87.50	86.35
1966/67	100.00	100.00	100.00	100.00
1967/68(est.)	107.00	106.91	104.00	111.74 ^{a/}

a/ Based on 9 months actual data and an estimate for remaining 3 months.

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Table 3: Estimates of Gross Fixed Investment in Public & Private Sectors - FYs 1960/61 to 1968/69

(Rs. crores, at constant 1966/67 prices)

FYs	Public Sector	Private Sector	Total
1960/61	1,305	1,450	2,755
1961/62	1,511	1,634	3,145
1962/63	1,768	1,747	3,515
1963/64	2,090	1,910	4,000
1964/65	2,387	1,985	4,372
1965/66	2,449	2,034	4,483
1966/67	2,171	1,949	4,120
1967/68	2,190	2,087	4,277
1968/69	2,309	2,228	4,537

Note: Please see the footnotes to Table 2.

Table 2: Estimates of Gross Fixed Investment in Public & Private Sectors - FYs 1960/61 to 1968/69

(Rs. crores, at current prices)

FYs	Public Sector			Private Sector			Total gross fixed investment
	Net fixed investment	Dep./ b/ replacement	Total	Net fixed investment	Dep./ b/ replacement	Total	
1960/61	790	116	906	387	620	1,007	1,913
1961/62	960	131	1,091	501	679	1,180	2,271
1962/63	1,166	160	1,326	540	770	1,310	2,636
1963/64	1,439	172	1,611	653	819	1,472	3,083
1964/65	1,701	205	1,906	690	895	1,585	3,491
1965/66	1,914	229	2,143	810	970	1,780	3,923
1966/67	1,916	255	2,171	900	1,049	1,949	4,120
1967/68(est.) ^{a/}	1,900	290	2,190	927 ^{d/}	1,160	2,087	4,277
1968/69(proj.) ^{a/}	1,995 ^{c/}	314	2,309	992 ^{d/}	1,236	2,228	4,537

^{a/} at 1966/67 market prices.

^{b/} figures up to FY 1964/65 are taken from the "White Paper" on national income. FYs 1965/66 and 1966/67 figures are derived from total estimate of depreciation/replacement for the economy in the "White Paper". FYs 1967/68 and 1968/69 are estimated or projected on historical relationships between income growth and depreciation/replacement provisions.

^{c/} projected to increase by 5 percent over the previous year level.

^{d/} projected to increase by 3 percent in 1967/68 and 7 percent in FY 1968/69 over the previous year levels.

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Statistical Notes to Table C-1

Derivation of GNP & Total Available Resources and its disposition FYs 1960/61 to 1965/66 at current and constant 1966/67 prices

The estimates at current prices of net domestic product, net earned income from abroad and indirect taxes less subsidies are taken from the "White Paper" on national income. The estimates of net foreign balances at current prices are either taken from Table C-4 or are reconstructed from balance of payments data on the basis of methodology adopted for Table C-4. Net foreign balances inflow at current prices is converted at pre-June 6, 1966 rate of exchange i.e. \$1 equals Rupees 4.76. Estimates of total gross fixed investment and changes in stocks (from Tables 1 and 2 of Appendix) are deducted from total available resources to arrive at total consumption at current prices. Government consumption (from Table 3 of Appendix) is then deducted from total consumption at current prices to derive private consumption as residual.

Table A details the derivation of total available resources and their disposal for these years at current prices.

Table B shows the derivation of GNP, total available resources and its disposition at constant 1966/67 market prices. The steps involved in converting the current prices series into constant 1966/67 market prices are as follows:

(i) Net domestic product and indirect taxes less subsidies are converted at constant 1966/67 market prices via price deflator implicit in net domestic product. The formula adopted is:

$$\text{NDP in year(x) at 1966/67 prices} = \frac{\text{NDP at current prices} \times \text{Index of Price deflator implicit in NDP in 1966/67}}{\text{Index of Price deflator implicit in NDP in year(x)}}$$

(ii) Depreciation/replacement estimates are converted at constant 1966/67 market prices via investment cost index.

(iii) Net foreign balances are converted at post-devaluation rate of \$ 1 equals Rs. 7.50.

(iv) The sum of net domestic product, net earned income from abroad, depreciation and indirect taxes less subsidies equal GNP at constant 1966/67 market prices. Net foreign balances are added to the derived GNP estimates to arrive at total available resources.

(v) Gross fixed investment and changes in stocks figures are converted at constant 1966/67 market prices via investment index. (See Table 3 of Appendix)

(vi) Gross investment (fixed investment plus changes in stocks) are deducted from total available resources to derive total consumption.

(vii) Private and Government consumption at 1966/67 market prices are derived on the assumption that ratio of private consumption to government consumption at 1966/67 prices is the same proportion as the ratio of private consumption to government consumption at current prices in each year.

Derivation of GNP for FY's 1966/67 to 1968/69

1966/67: CSO's "White Paper" on national income estimates Gross national product at factor cost of Rs. 25,461 crores at current prices. On the basis of revised budget data of GOI and Central Government, indirect taxes less subsidies are estimated at Rs. 2,210 crores. Adding the estimate of indirect taxes less subsidies to GNP at factor cost, the GNP at market prices is estimated at Rs. 27,671 crores.

FY's 1967/68 and 1968/69: The procedure for forecasting Gross national product at market prices is based on either estimating or projecting the growth of individual sectors of the economy to derive an estimate/projection of net domestic product at factor cost, and then adding an estimate (or projection) of net earned income from abroad, depreciation and indirect taxes less subsidies to NDP at factor cost estimate (or projection) to arrive at the estimate (or projection) of Gross national product at market prices.

The assumed growth rates and the resulting estimate/projection of Net domestic product at factor cost are given in Table C.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF	2. COOPERATING COUNTRY	SECURITY CLASSIFICATION	GROSS NATIONAL PRODUCT	STATISTICAL TABLES
C-1	January 19, 1968	INDIA	UNCLASSIFIED		

Table A: Derivation of GNP, Total Available Resources and its Disposition
FYs 1960/61 to 1965/66

(Rs. Crores at current prices)

	<u>1960/61</u>	<u>1961/62</u>	<u>1962/63</u>	<u>1963/64</u>	<u>1964/65</u>	<u>1965/66</u>
1. NET DOMESTIC PRODUCT AT FACTOR COST	13,525	14,413	15,287	17,679	20,572	21,228
2. NET EARNED INCOME FROM ABROAD	- 72	- 98	- 108	- 116	- 148	- 164
3. DEPRECIATION	736	810	930	991	1,100	1,199
4. INDIRECT TAXES LESS SUBSIDIES	948	1,080	1,265	1,566	1,784	2,010
5. GROSS NATIONAL PRODUCT AT MARKET PRICES (1+2+3+4)	15,137	16,205	17,374	20,120	23,308	24,273
6. NET FOREIGN BALANCE	457	360	478	446	628	641
7. TOTAL AVAILABLE RESOURCES (5+6)	15,594	16,565	17,852	20,566	23,936	24,914
8. TOTAL FIXED INVESTMENT	1,913	2,271	2,636	3,083	3,491	3,923
of which:						
(a) Public Sector	(906)	(1,091)	(1,326)	(1,611)	(1,906)	(2,143)
(b) Private Sector	(1,007)	(1,180)	(1,310)	(1,472)	(1,585)	(1,780)
9. CHANGES IN STOCKS	400	194	274	311	365	- 50
10. TOTAL CONSUMPTION (7-8-9)	13,281	14,100	14,942	17,172	20,080	21,041
of which:						
(a) Government - all levels	(1,100)	(1,223)	(1,480)	(1,916)	(2,055)	(2,376)
(b) Private	(12,181)	(12,877)	(13,462)	(15,256)	(18,025)	(18,665)
11. TOTAL NATIONAL SAVINGS (8+9-6)	1,856	2,105	2,432	2,948	3,228	3,232

AID 1020-1 (7-64)	1. DATA CURRENT AS OF	2. COOPERATING COUNTRY	SECURITY CLASSIFICATION	GROSS NATIONAL PRODUCT	STATISTICAL TABLES
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Table B: Derivation of GNP, Total Available Resources and its Disposition
FYs 1960/61 to 1965/66

(Rs. crores at constant 1966/67 market prices)

	<u>1960/61</u>	<u>1961/62</u>	<u>1962/63</u>	<u>1963/64</u>	<u>1964/65</u>	<u>1965/66</u>
1. NET DOMESTIC PRODUCT AT FACTOR COST	20,734	21,667	22,136	23,326	25,054	23,911
2. NET EARNED INCOME FROM ABROAD	- 113	- 154	- 170	- 183	- 233	- 258
3. DEPRECIATION	1,060	1,122	1,240	1,286	1,377	1,370
4. INDIRECT TAXES LESS SUBSIDIES	1,453	1,624	1,832	2,066	2,173	2,264
5. GROSS NATIONAL PRODUCT AT MARKET PRICES (1+2+3+4)	23,134	24,259	25,038	26,495	28,371	27,287
6. NET FOREIGN BALANCE	720	567	753	702	989	1,010
7. TOTAL AVAILABLE RESOURCES (5+6)	23,854	24,826	25,791	27,197	29,360	28,297
8. TOTAL FIXED INVESTMENT	2,755	3,145	3,515	4,000	4,372	4,483
of which:						
(a) Public Sector	(1,305)	(1,511)	(1,768)	(2,090)	(2,387)	(2,449)
(b) Private Sector	(1,450)	(1,634)	(1,747)	(1,910)	(1,985)	(2,034)
9. CHANGES IN STOCKS	576	269	365	403	457	- 57
10. TOTAL CONSUMPTION (7-8-9)	20,523	21,412	21,911	22,794	24,531	23,871
of which:						
(a) Government - all levels	(1,700)	(1,857)	(2,170)	(2,543)	(2,511)	(2,696)
(b) Private	(18,823)	(19,555)	(19,741)	(20,251)	(22,020)	(21,175)
11. TOTAL NATIONAL SAVINGS (8+9-6)	2,611	2,847	3,127	3,701	3,840	3,416

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Table C : Estimation/Projection of NDP at factor cost: 1967/68 & 1968/69
(Rs. crores, at 1966/67 prices)

	Income originating in 66/67	FY 1967/68		FY 1968/69	
		% change in 67/68	Income originating in 67/68	% change from previous year	Income originating in 68/69
1. Agriculture & allied activities	12,051	+ 15.4	13,907	4.0 ^{a/}	14,463
2. Mining and quarrying	255	+ 2.6	262	6.0	278
3. Large-scale manuf.	2,051	+ 2.3	2,098	7.1	2,247
4. Small-scale "	1,327	+ 3.0	1,367	6.0	1,449
5. Construction	1,083	+ 2.5	1,110	6.0	1,177
6. Electricity, gas & water supply	158	+ 10.3	174	11.9	195
7. Transport & Communication					
(a) Railways	398	+ 1.5	404	4.5	422
(b) Communication	141	+ 8.0	152	8.0	164
(c) Other Transport	512	+ 3.0	527	6.0	559
8. Trade, storage, hotels and restaurants	2,650	+ 2.5	2,716	5.2	2,857
9. Banking & Insurance	398	+ 5.0	418	7.0	448
10. Real Estate & Ownership of dwellings	625	+ 3.0	644	3.0	663
11. Public Administration & Defense	1,199	+ 3.5	1,241	4.0	1,291
12. Other Services	1,541	+ 2.5	1,580	4.0	1,643
TOTAL, NET DOMESTIC PRODUCT	24,389	+ 9.1	26,600	4.72	27,856

a/ Based on 97-1/2 million metric tons of foodgrains production.

The rationale of assumed growth rates for major sectors are as follows:

Agriculture and allied activities

1967/68: The estimated increase of 15.4 percent in income originating from this sector is geared to foodgrain production level of 95.0 million metric tons (1966/67: 75.0 million metric tons), substantial increase in output of cash crop from the previous year level like raw jute and mesta(+20%), raw cotton(+15%), groundnut(+34%), other oilseeds(+25%), tobacco(+3%), chillies(+5%), sugarcane(+5%, despite 15% cut in acreage planted), and about 7% increase in output of animal husbandry sub-sector. The gross output level thus is expected to increase from Rs. 8,433 crores in 1966/67 to Rs. 9,790 crores both at constant 1960/61 prices, or an increase of 16.1 percent. On assumption that incremental net value added to gross value of output will be 0.77, it is estimated that net value added from agriculture and animal husbandry will increase by 15.4 percent over the previous year level.

1968/69: The estimated increase of 4.0 percent in income originating from this sector is geared to foodgrain production level of 97.5 million metric tons and an increase of 5.9 percent in non-grain output level. The foodgrain production estimate is based on the assumption that foodgrain potential built in 1967/68 is approximately 92.5/93.0 million metric tons under normal weather and cropping pattern. The likely actual production level of 95.0 million metric tons is discounted for good weather(say about 2 to 2½ million metric tons) and gain in foodgrain crop acreage of approximately 0.4 million hectares on account of loss in sugarcane acreage (mainly in Uttar Pradesh and Bihar) due to abnormally higher prices of grains in 1966/67 and low procurement prices for sugarcane for factory sugar manufacturing in 1966/67. Since the grain prices decline in October 1967 - January 1968 period (and are likely to decline further) while sugarcane prices received by the farmers are nearly doubled this year, the sugarcane planted acreage is likely to increase with consequential loss to acreage planted under foodgrains.

UNCLASSIFIED

SECURITY CLASSIFICATION

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Large Scale Manufacturing: The income originating from this sector is assumed to grow at the same rate as the rate of growth of manufacturing component of the index of industrial production. The estimated increase of 2.3 percent in FY 1967/68 is based on an actual increase of 0.6 percent in April-September 1967 over the comparable period in the previous year (April-September 1966), and a 4.0 percent increase in October 67/March 68 over the comparable period in the previous year (October 66/March 67). The acceleration in growth rate in the second-half assumes a 4.6 percent increase in the combined index of Food manuf., cotton textiles and jute manuf. as a result of better supplies of raw materials for these industries (due to higher import levels of raw cotton and larger domestic output of raw cotton, raw jute and mesta and sugarcane) and slight deceleration of increase in other manufacturing to 3.0 percent due to slack in demand for capital goods industries (mainly engineering) with slackening in domestic investment.

The projected increase of 7.1 percent in 1968/69 assumes about 4½ percent increase in the combined index of Food manuf., cotton textiles and jute manuf. over the stationary levels in the last two years, and acceleration in growth of other manuf. from 4 percent in 1967/68 to 8½ percent in 1968/69 as consumer demand picks up with its indirect impact on intermediate demand and private investment climate improves.

Table D gives the details of index of industrial production for FY's 1965/66 to 1968/69 and also notes the assumptions implicit in estimate for 1967/68 and projection for 1968/69.

Mining & Quarrying: The income originating from this sector is linked to mining and quarrying component of the index of industrial production. The estimated increase 2.6 percent in 1967/68 is based on actual production the first half, and the same level of increase projected for the second half.

The projected increase of 6.0 percent in 1968/69 is based on the assumption that recovery in industrial output and transport activity will be reflected into higher production in mining sector.

Electricity gas & water supply: The income originating from this sector is linked to electricity component of the index of industrial production. The income originating from this sector is assumed to increase by a 10.3 percent in 1967/68 and by 11.9 percent in 1968/69.

Small scale manufacturing: The estimated increase of 3.0 percent in 1967/68 and 6.0 percent increase in 1968/69 is related to availability of raw materials like cotton yarn, cotton cloth, oilseeds, sugarcane and expected levels of activity in engineering and chemicals.

Railways: The income originating from this sector is linked to expected level of goods and passenger traffic on railways. The goods traffic level in the first six months (April-Sep. 1967) are slightly lower than the level in the comparable period in the previous year, while passenger traffic has shown some ^{increase}. On assumption of improved goods traffic level in the second half of the year due to improved levels of industrial and agricultural production, the income originating from this sector is estimated to increase by 1.5 percent in FY 1967/68. The projected increase of 4.5 percent in 1968/69 linked to higher levels of agricultural and industrial production being reflected into acceleration in goods traffic demand.

Other sectors: The growth rates assumed for other sectors are rough approximations based on past historical growth rates of these sectors and its relationship to growth rates in agriculture and industry.

Net Foreign Balances: Estimates are taken from Table C-4.

Total available Resources: Are the sum of GNP at market prices and net foreign balances.

Table E gives the details of derivation of Total available resources and its disposition for FY's 1966/67 to 1968/69 at constant 1966/67 market prices, and for FY 1967/68 at current prices.

AID 10204 (7-64)	1. DATA CURRENT AS OF:	2. COOPERATING COUNTRY	SECURITY CLASSIFICATION	GROSS NATIONAL PRODUCT	STATISTICAL TABLES
C-1	19 January 1968	INDIA	UNCLASSIFIED		

Table D: Indices of Industrial Production & their Components: FYs 1965/66 to 1968/69

(Monthly average with base 1956 = 100)

	1965/66		1966/67		1967/68		1968/69		Average for FY			
	April- Sept.	Oct.- March	April- Sept.	Oct.- March	April- Sept.	Oct.- March(est.)	April- Sept.	Oct.- March	1965/66	1966/67	1967/68	1968/69
Food manuf.	(134.3)	(158.0)	(144.2)	(130.1)	(124.2)	(136.6) ^{a/}	(127.5) ^{A/}	(148.3) ^{B/}	146.1	137.1	130.4	137.9
Cotton Textiles	(124.5)	(115.2)	(123.8)	(116.0)	(120.4)	(123.0) ^{b/}	(123.0) ^{C/}	(127.9) ^{D/}	119.9	119.9	121.7	125.5
Jute manuf.	(128.1)	(116.6)	(99.2)	(111.2)	(110.8)	(114.5) ^{c/}	(120.0) ^{E/}	(127.2) ^{F/}	122.3	105.2	112.6	123.6
A. Combined index of Food, Cotton Textiles & Jute Manuf.	(127.5)	(126.9)	(126.6)	(119.3)	(120.4)	(125.8)	(123.9)	(133.3)	127.2	123.0	123.1	128.6
B. Manuf. excl. Food, Cotton Textiles & Jute	(254.7)	(262.5)	(265.5)	(284.6)	(276.9)	(293.7) ^{d/}	(296.3) ^{G/}	(323.1) ^{H/}	258.6	275.0	285.3	309.7
C. MANUF. (Total)	180.7	183.6	184.7	188.4	185.8	196.0	196.0	212.7	181.8	186.5	190.9	204.4
D. ELECTRICITY	328.0	338.1	356.6	371.3	395.0	408.4 ^{e/}	442.4 ^{I/}	457.0 ^{J/}	333.0	364.0	401.7	449.7
E. MINING & QUARRYING	183.4	192.2	187.4	194.5	191.9	199.9 ^{f/}	204.0 ^{J/}	216.0 ^{J/}	187.8	191.0	195.9	210.0
F. INDUSTRIAL PRODUCTION (% change from previous year)	186.3	189.9	191.2	195.6	194.0	204.1 ^{g/}	205.6 ^{K/}	221.9 ^{L/}	188.1 (+3.9)	193.4 (+2.8)	199.0 (+2.9)	213.8 (+7.4)

Note for footnotes for A/ to L/: Comparisons are done over the comparable period in FY 1967/68, unless stated.

a/ 5 percent above Oct.66-March 67 level on assumption of 10 percent increase in sugar production and slightly better production for tea and other industries included in food manuf.

b/ 6 percent above Oct.66-March 67 level on assumption of larger availability of raw cotton due to 12-15 percent increase in domestic production and larger cotton imports.

c/ 3 percent above Oct.66-March 67 level. d/ 3 percent above Oct.66-March 67 level.

e/ 10 percent above Oct.66-March 67 level. f/ 2 1/2 percent above Oct.66-March 67 level.

g/ Overall index of industrial production increases by 4.3 percent in Oct.67-March 68 above Oct.66-March 67 level on assumptions enumerated in footnotes a/ to f/.

A/ Maintenance of tea production level and a 10 percent increase in other industries (mainly sugar).

B/ 15 percent increase in sugar production and a 3% increase in other industries including tea production.

C/ Production maintenance at Oct.67/March 68 level.

D/ 3 percent increase. E/ 8.5 percent increase F/ 11 percent increase G/ 7 percent increase

H/ 10 percent increase I/ 12 percent increase J/ Approximately 6 percent higher

K/ Works out at 6.0 percent increase over the comparable period in previous year.

L/ Works out at 8.7 percent increase over the comparable period in previous year.

AID 1020-1 (7-64) C-1	1. DATA CURRENT AS OF: 19 January 1968	2. COOPERATING COUNTRY INDIA	SECURITY CLASSIFICATION UNCLASSIFIED	GROSS NATIONAL PRODUCT	STATISTICAL TABLES
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Table E : Derivation of GNP, Total Available Resources & its disposition: FYs 1966/67 to 1968/69
(Rs. crores)

FY's	At Constant 1966/67 market prices			At current
	1966/67	1967/68(Est.)	1968/69(Proj.)	prices 1967/68
1. NET DOMESTIC PRODUCT AT FACTOR COST	24,389	26,600	27,856	28,462
2. NET EARNED INCOME FROM ABROAD	- 232	- 230	- 310	- 230
3. DEPRECIATION	1,304	1,450	1,550	1,508
4. INDIRECT TAXES LESS SUBSIDIES	2,210	2,400	2,540	2,568
5. GROSS NATIONAL PRODUCT AT MARKET PRICES =(1+2+3+4)	27,671	30,220	31,636	32,308
6. NET FOREIGN BALANCES	1,034	1,100	1,250	1,100
7. TOTAL AVAILABLE RESOURCES = (5+6)	28,705	31,320	32,886	33,408
8. TOTAL FIXED INVESTMENT of which:	4,120	4,277	4,537	4,448
(a) Public sector	(2,171)	(2,190)	(2,309)	(2,278)
(2) Private sector	(1,949)	(2,087)	(2,228)	(2,170)
9. CHANGES IN STOCKS	- 100	515	250	535
10. TOTAL CONSUMPTION of which:	24,685	26,528	28,099	28,425
(a) Govt. - all levels	(2,710)	(2,710)	(2,820)	(2,900)
(b) Private	(21,975)	(23,818)	(25,279)	(25,525)
11. TOTAL NATIONAL SAVINGS	2,986	3,692	3,537	3,883

AID 1020-18 (4-88)		DATA CURRENT AS OF:		COOPERATING COUNTRY		SECURITY CLASSIFICATION		BALANCE OF PAYMENTS (In Millions of U.S. Dollar Equivalents)					C-4	
C-4		JANUARY, 1968		INDIA		UNCLASSIFIED								
All figures converted at \$1 = Rs. 4.20 1965/66 Rs. 7.50 1966/67 1965/66 1966/67 1966/67		CALENDAR YEARS					ITEM	CALENDAR YEARS						
LINE NO.		ACTUAL		ESTIMATED		PROJECTED		ACTUAL		ESTIMATED		PROJECTED		
		(1) 19 65/66	(2) 19 66/67	(3) 19 67/68	(4) 19 68/69	(5) 19 69/70		(1) 19 65/66	(2) 19 66/67	(3) 19 67/68	(4) 19 68/69	(5) 19 69/70		
A. BALANCE ON GOODS AND SERVICES		A	-1,346	-1,379	-1,466	-1,666	-1,687							
1. GOODS	EXPORTS, f.o.b.	1a	1,642	1,535	1,650	1,735	1,880							
	IMPORTS, XXX c.i.f.	1b	-2,804	-2,693	-2,960	-3,155	-3,264							
	NONMONETARY GOLD	2	-	-	-	-	-							
	TRADE BALANCE	A(1)	-1,162	-1,158	-1,310	-1,420	-1,384							
	2. SERVICES	FREIGHT AND INSURANCE	3	65	55	60	60	60						
		OTHER TRANSPORTATION	4											
		TRAVEL	5	12	12	15	19	20						
		INVESTMENT INCOME	6	- 251	- 280	- 241	- 327	- 379						
		GOVERNMENT, n.i.e.	7	43	55	45	39	36						
		U.S. Uses	7a	42	43	44	37	35						
OTHER SERVICES		8	- 53	- 63	- 35	- 37	- 40							
TOTAL SERVICES, NET	A(2)	- 184	- 221	- 156	- 246	- 303								
B. TRANSFER PAYMENTS, NET		B	310	225	173	174	202							
1. PRIVATE		9	151	129	75	75	75							
	P.L. 480 - Title III	9a	49	29	-	-	-							
	Private Remittances	9b	102	100	75	75	75							
2. CENTRAL GOVERNMENT		10	159	96	98	99	127							
	U.S. TOTAL	10a	142	11	85	86	114							
	A.I.D.	10b	9	9	14	16	16							
	P.L. 480 - Title I	10c	126	-	7	11	30							
	P.L. 480 - Title II	10d	1	2	60	55	64							
	Ford	10e	6	-	4	4	4							
	OTHER, TOTAL	10f	17	85	13	13	13							
	Columbo & Others	10g	34	102	30	30	30							
	Indus	10h	- 17	- 17	- 17	- 17	- 17							
C. CAPITAL AND MONETARY GOLD, NET		C												
1. PRIVATE	DIRECT INVESTMENT	11	-	-	-	-	-							
	OTHER LONG-TERM	12	51	31	56	77	70							
	Cooley Loans	12a	32	18	35	40	30							
	Other (Net)	12b	19	13	21	37	40							
		12c												
	OTHER SHORT-TERM	13	5	- 3	-	-	-							
	2. LOCAL GOVERNMENT, NET	14	-	-	-	-	-							
D. NET ERRORS AND OMISSIONS		D	50	37	-	-	-							
E. CHANGE IN GOLD AND FOREIGN EXCHANGE (Increase (-)) (Memo Item)			- 101	- 12	25	60	230							

NON MONETARY SECTORS CONTINUED

CENTRAL GOVERNMENT

MONETARY SECTORS

INSTITUTIONS

* COMMERCIAL BANKS

AID 1020-4 (7-64)	1. DATA CURRENT AS OF: C-4 JANUARY, 1968	2. COOPERATING COUNTRY INDIA	SECURITY CLASSIFICATION UNCLASSIFIED	BALANCE OF PAYMENTS
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Goods and Services

- The export and import figures for 1965/66 and 1966/67 were obtained from the RBI Bulletin. The figures for 1967/68 and the projections for the following years are the most recent Mission estimates based on information received from the Ministry of Finance. The import projections submitted in the Balance of Payments analysis of the latest non-project loan application are lower than those presented in this table because they do not include PL 480 Title II food imports.
- Freight and insurance figures for 1965/66 and 1966/67 were taken from the RBI Bulletin. Net receipts for subsequent years are expected to remain in at about \$60 million.
- Recent travel figures are not available from the RBI because of incomplete receipts data. The estimates in the table are based on historical data and expected developments. Corresponding adjustments were made in "Other Services" for 1965/66 and 1966/67 so that the Total Services figures given in the RBI Bulletin are not altered.
- The 1965/66 and 1966/67 investment income figures were taken from the RBI Bulletin. Projections for subsequent years are explained in the notes to Table 1.

- The 1965/66 and 1966/67 government n.i.e. figures are based on RBI data. The figures in the RBI Bulletin were not used however because they had a recording error in their receipts total. This error involved the entering of U.S. Government expenditures at the level reflected by transfers to U.S. uses accounts instead of actual expenditures from these accounts. The two sets of figures compare as follows: (\$ millions)

	1965/66	1966/67
Transfers to U.S. uses account	104.0	103.3
Expend. from " " "	42.0	43.0
The RBI figures were therefore reduced by \$62 million and \$60 million in 1965/66 and 1966/67, respectively.		

- The PL-480 Titles II and III figures for 1965/66 and 1966/67 were taken from Mission records. Figures for 1967/68 and projections for subsequent years were obtained from the Food for Peace Office. It will be noted that, in the future, grants formerly under Title III will be included in Table II.
- Private Remittances for 1965/66 and 1966/67 were taken from the RBI Bulletin. The drop in 1967/68 and subsequent years is due to the cancellation of the National Defense Remittance Scheme which accounted for about \$35 million in receipts during 1966/67.
- A.I.D. grants for 1965/66 and 1966/67 were taken from Mission records. The 1967/68 figure and projections for subsequent years are Mission estimates taken from the FY 1969 Budget Submission.

Table - 1
Investment Income Projections
(U.S. \$ millions)

	1966/67	1967/68	1968/69	1969/70
Payments				
A/ Official	-152	-126	-218	-265
1. foreign exchange	- 60	- 65	- 59	- 64
2. local currency				
B/ Private	- 92	- 75	- 75	- 75
Total Payments	-304	-266	-352	-404
Total Receipts	24	25	25	25
Net Invest. Income	-280	-241	-327	-379

Notes:

- Official payments in foreign currency are based on the 1967 Program Memorandum projections and includes interest payments on future commitments as given in Table C-4(b). The PM estimates for 1967/68 were revised to take account of Consortium debt rescheduling while 1968/69 estimates were revised to reflect lower 1967/68 aid arrivals.
- Official payments to the U.S. in rupees were obtained from the Controller's office.

- Although payments ~~are~~ private account were \$92 million in 1966/67, historical data indicate that future payments should be about \$75 million at post-devaluation exchange rates.
- Receipts projections are based on historical data.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF:	2. COOPERATING COUNTRY	SECURITY CLASSIFICATION	BALANCE OF PAYMENTS
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9. Uses of PL 480 - Title I funds: Grants (line 10c), Cooley loans (line 12a), Government loans (line 15d) and U.S. uses (line 18c) are computed as follows:

- The 1965/66 and 1966/67 figures were obtained from the U.S.D.O.
- Estimates for 1967/68 and future years were calculated as shown in Table 2. The "uses" figures are the ones used in the C-4 table.

Table - 2

Uses of PL-480 Funds
(U.S. \$ millions)

	1967/68		1968/69		1969/70					
	Deposits Value	Uses %	Deposits Value	Uses %	Deposits Value	Uses %	Value	%	Value	
PL-480 Sales	458	100	458	437	100	437	364	100	407	
- portion payable in convertible Rs.	39	9	39	82	19	82	120	33	120	
- portion payable in Rs.	419	91	419	355	81	355	244	67	287	
Uses of non-conv.Rs.	419	100	417	355	100	353	244	100	302	
- U.S. uses	34	8	44	28	8	37	20	8	35	
- Cooley loans	21	5	35	32	9	40	12	5	30	
- grants	34	8	7	19	5	11	5	2	30	
- loans	331	79	333	276	78	267	207	85	207	
- changes in U.S. Balances			-10			-9			-15	
- changes in Country Bal.			+10			+9			-43	

Notes:

1. The "deposits" estimates are based on expected arrivals of PL-480 commodities and were obtained from the Agricultural Attache's office. The "uses" estimates reflect expected disbursements of funds for the different purposes and were obtained from the AID program office.
2. Beginning with 1967/68, a gradually increasing portion of PL-480 sales will be repayable in convertible local currency. These sales are considered as PL-480 Title I loans since they are in fact loans to the GOI repayable after a 10-year grace period. The remainder of the sales are immediately payable in non-convertible local currency to be used as shown above.

10. The 1965/66 and 1966/67 figures for Ford Foundation grants were taken from the Economic Survey and Abstract of External Assistance respectively. The projections are based on past experience.

11. Figures for the "Other official transfer payments" account were obtained as follows: (lines 10f,g,h.)

- Columbo Plan and other grants for 1965/66 and 1966/67 were taken from GOI publications and total debits for the same years were taken from the RBI Bulletin. Indus Basin Development Fund payments were taken from the RBI Bulletin.

- Projections of Columbo and other grants are based on past experience.

12. Private Investment

- Cooley loans were computed as explained in Note #10.
- Other net private investments are based on gross private investment figures obtained from the RBI and used in the FY 1969 Program Memorandum. Those figures differ from the RBI balance of payments figures in that they exclude loans to the private sector from official sources but include retained earnings and non-cash flows. The calculations involved in arriving at net figures for our balance of payments purposes are as follows: (\$ million)

Inflow of Foreign Capital into Private Sector

	Gross invest.1/	Net Invest.2/	Non-cash transactions 3/	Net invest. for B of P.
1965/66	74.7	56	37	19
1966/67	51.6	39	26	13
1967/68	85.6	64	43	21
1968/69	148.5	111	74	37
1969/70	154.0	116	76	40

- 1/ Excludes loans from official sources which are included in "loans to central government".
- 2/ Two-thirds of gross investment; data from previous years indicates that capital outflows from the private sector are equivalent to about 1/3 of gross inflows.
- 3/ Retained earnings and non-cash inflows (machinery, know-how, etc.); estimated at about one half of gross investment. These figures are usually excluded from the RBI Balance of Payments figures mainly because they cannot be obtained on a regular basis. They are excluded here to maintain consistency.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF:	2. COOPERATING COUNTRY	SECURITY CLASSIFICATION	BALANCE OF PAYMENTS
C-4	JANUARY, 1968	INDIA	UNCLASSIFIED	

13. Net short-term private capital figures for 1965/66 and 1966/67 were taken from the RBI Bulletin.
14. Data on loans received from the U.S. in 1965/66 and 1966/67 were obtained from AID/W Controller Reports. Projections for 1967/68 and subsequent years were derived as follows:
- AID development loans are based on the 1967 Program Memorandum "status-quo case" and AID/W comments.
 - PL 480 - Title I loans were derived as explained in Note 10 above.
 - EX-IM projections are mainly based on expected rates of utilization from present commitments.
 - Other L/C consists of DLF loans. The projections are based on expected utilization of remaining balances.
 - Further details are given in Tables C-4(c) and C-4(d).
15. Data on loans received from non-U.S. sources in 1965/66 and 1966/67 were taken from the Economic Survey and MOF documents printed for the Ministry's internal use. The projections were based on 1/the revised aid level estimates of the MOF, 2/on World Bank estimates of Consortium aid utilization and 3/on the Program Memorandum Status-quo Case.
16. Loan repayments to the U.S. in local currency were obtained from the Controller's office. All loan repayments in foreign exchange are based on a MOF debt-service schedule dated 7/14/67. Adjustments were made in loan repayment and investment income figures for 1967/68 to reflect the following debt rescheduling: IBRD, \$50 million; ~~AMERICA~~ U.K. \$32.5 million; Germany, \$7.25 million; Japan, \$6.1 million; Austria, \$.9 million; and Canada, \$2.2 million. The Canadian \$2.2 million reduction also applies to 1968/69 and 1969/70. The U.K. debt repayments are converted at £1 = \$2.40 for 1968/69 and 1969/70 because of the British devaluation of 11/19/67.
17. Changes in Country Use L/C liabilities to U.S. for 1965/66 and 1966/67 are based on data obtained from the U.S. disbursing officer and from the relevant sales agreements. Estimates for 1967/68 and projections for subsequent years are taken from Table 2 above.

18. Changes in foreign exchange assets held by commercial banks during 1965/66 and 1966/67 were taken from the IMF "International Financial Statistics". Liabilities to the IMF, monetary gold, and foreign exchange figures were taken from the RBI Bulletin. See Table 3 below for more details on financial transactions.

Table - 3
Changes in Monetary Assets and Liabilities

Gold:

1964-65 :	8.0 million ounces
1965-66 :	7.0 " "
1966-67 :	7.0 " "

Borrowings from IMF:

1964-65 :	Rs.47,62 lakhs @ .21	\$100 million
1965-66 :	Rs.65,46 " @ .21	\$137 "
1966-67 :	Rs.89,29 " @ .21	\$188 "
1967-68 :	Rs.66,67 " @ .1333	\$ 90 "

Repayments to IMF:

1964-65 :	Rs.47,61 lakhs @ .21	\$100 million
1965-66 :	Rs.35,71 " @ .21	\$ 75 "
1966-67 :	Rs.43,09 " @ .1333	\$ 57 "
1967-68 :	Rs.66,67 " @ .1333	\$ 90 "

Movement in Reserves: increase (+)/decrease (-)

1964-65 :	- 56,13 lakhs @ .21	- \$118 million
1965-66 :	+ 48,30 " @ .21	+ \$101 "
1966-67 :	+ 9,00 " @ .1333	+ \$ 12 "

19. Changes in U.S. Use L/C balances for 1965/66 and 1966/67 were derived from U.S.D.O. records. Details of estimates for 1967/68 and projections for 1968/69 and 1969/70 are given in Table 4 below.

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Table - 4 Line 18c

Net Inflow of Rupees into U.S. Uses Account

	<u>FY 1967</u>		<u>FY 1968</u>		<u>FY 1969</u>		<u>FY 1970</u>	
	\$	Rs.	\$	Rs.	\$	Rs.	\$	Rs.
MSP Loans	9	5.61	8	5.78	8	5.90	8	5.97
DLF Loans	49	34.07	47	34.92	47	35.02	45	34.01
PL-480 Loans	35	24.15	42	31.21	37	27.74	46	34.58
Cooley Loans	<u>6</u>	<u>4.69</u>	<u>9</u>	<u>6.60</u>	<u>10</u>	<u>7.82</u>	<u>11</u>	<u>8.49</u>
Total Repayments	99		106		102		110	
PL-480 Sales:	90		34		28		20	
Interest on deposits:	<u>10</u>	7.50	<u>10</u>	7.60	<u>10</u>	7.70	<u>10</u>	7.80
Total inflow	199		150		140		140	
Utilization	<u>43</u>		44		37		35	
Net change in Balances	156		106		103		105	

Notes:

1. Rupee loan repayment figures were obtained from the Controller's office.
2. Inflow into U.S. uses account from PL-480 sales were calculated as explained in Note #10 to C-4 table. In 1966/67 U.S. uses funds were 20% of PL 480 sales.
20. Projected declines in foreign exchange in 1968/69 and 1969/70 indicate magnitudes of foreign exchange shortages rather than likely changes in foreign exchange reserves. If the necessary aid is not forthcoming, outflows will have to be reduced to maintain reserves at levels not appreciably below the current position.

AID 1020-4 (7-64)	1. DATA CURRENT AS OF:	2. COOPERATING COUNTRY	SECURITY CLASSIFICATION	BALANCE OF PAYMENTS	(In Millions of U.S. dollars) C-4(a) (i)
C-4(a) (i)	January 1968	INDIA	CONFIDENTIAL		

INDIAN FISCAL YEARS

ITEM	ACTUAL		ESTIMATED	PROJECTED	
	1965/66	1966/67	1967/68	1968/69	1969/70
I. CURRENT ACCOUNT					
A. Balance on Goods and Services	-1,346	-1,379	-1,466	-1,666	-1,687
1. Exports	1,642	1,535	1,650	1,735	1,880
2. Imports, c.i.f.	-2,804	-2,693	-2,960	-3,155	-3,264
3. Services, Net	-184	-221	-156	-246	-303
4. Interest payments (nonadd)	(265)	(280)	(241)	(327)	(379)
B. Transfer Payments, net	310	225	173	174	202
1. Private	151	129	75	75	75
2. Official	159	96	98	99	127
Bal. l Balance on Current Acct.	-1,036	-1,154	-1,293	-1,492	-1,485
II. CAPITAL MOVEMENTS					
A. Drawings on Existing Commitments					
1. Long-term from Official Sources to non-Monetary Sector					
a. Receipts, total	1,215	1,359	937	795	372
i. U.S. total	550	779	422	149	24
(a) A.I.D.	329	235	409	144	24
(b) Other	221	544	13	5	-
ii. Other governments					
(a) Other consortium	548	490	457	473	182
(b) Non-consortium	117	90	58	173	166
b. Repayments, total	220	248	200	304	316
i. U.S. total	61	67	75	80	86
(a) A.I.D.	9	9	10	10	11
(b) Other	52	58	65	70	75
ii. Other governments					
(a) Other consortium	119	136	65	149	157
(b) Non-consortium	40	45	60	75	73

AID 1020-1 (7-64) C-4(a) (ii)	1. DATA CURRENT AS OF: January 1968	2. COOPERATING COUNTRY INDIA	SECURITY CLASSIFICATION CONFIDENTIAL	BALANCE OF PAYMENTS	(In Millions of U.S. dollars) C-4(a) (ii)
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INDIAN FISCAL YEARS

ITEM	ACTUAL		ESTIMATED	PROJECTED	
	1965/66	1966/67	1967/68	1968/69	1969/70
2. Long-term from private sources to non-monetary sectors					
d. Receipts	37	26	-	-	-
b. Repayments	19	13	-	-	-
3. Loans to Monetary Sector					
a. Receipts	180	287	-	-	-
b. Repayments	4	10	-	-	-
4. Short-term loans to non-Monetary Sector					
a. Receipts	5	-	-	-	-
b. Payments	-	3	-	-	-
B. Other Capital Transactions (Cooley)					
1. Receipts	32	18	35	40	-
Bal. 2 - Balance before drawing on all future commitments	190	262	- 521	- 961	-1,429
C. Drawings on Future Commitments					
1. Long-term Private Sources	-	-	21	37	40
Bal. 3 - Balance before drawing on future Official long-term commitments	- 190	- 262	- 500	- 924	-1,389

AID 1020-1 (7-64) C-4(a) (iii)	1. DATA CURRENT AS OF: January 1968	2. COOPERATING COUNTRY INDIA	SECURITY CLASSIFICATION CONFIDENTIAL	BALANCE OF PAYMENTS	(In Millions of U.S. dollars) C-4(a) (iii)
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INDIAN FISCAL YEARS

ITEM	ACTUAL		ESTIMATED	PROJECTED	
	1965/66	1966/67	1967/68	1968/69	1969/70
2. Long-term from Official Sources to non-monetary Sector					
a. Receipts, total	-	-	496	1,009	1,366
1. Project loans					
(a) U.S. total	-	-	372	364	363
i. AID	-	-	-	10	24
ii. Ex-Im	-	-	-	5	12
iii. PL-480	-	-	372	349	327
(b) Other governments					
i. Other consortium	-	-	-	15	74
ii. Non-consortium	-	-	-	15	39
2. Program loans					
(a) U.S., AID	-	-	5	306	402
(b) Other consortium	-	-	119	309	488
b. Repayments					
1. U.S.	-	-	-	-	1
2. Other consortium	-	-	-	-	18
3. Other long-term (Cooley) Receipts	-	-	-	-	30
Bal. 4 - Balance after Drawings on Existing & Future Commitments	- 190	- 262	- 4	+ 85	- 12
III. MONETARY SECTOR, Net	140	225	- 4	+ 85	12
IV. ERRORS AND OMISSIONS	50	37	--	-	-

Notes:

- Existing commitments are those made prior to April 1, 1967.
- U.S. loans to non-monetary sector do not include Cooley Loans which are entered as "other capital transactions". Loan repayments of Cooley Loans, however, are included in the loan repayments from the non-monetary sector to the U.S. Government.
- U.S. Government loans include PL 480 Title I loans as shown in the C-4 Table. Loan repayments to U.S. Government include L/C repayments which are also given in the C-4 Table.
- Changes in the Monetary Sector include changes in Country use and U.S. use L/C balances.

AID 1020-4 (7-64)	1. DATA CURRENT AS OF:	2. COOPERATING COUNTRY	SECURITY CLASSIFICATION	FOREIGN DEBT SERVICE (In foreign currencies)	(In Millions of U.S. dollars)	C-4(b)
C-4(b)	January 19, 1968	INDIA	UNCLASSIFIED			

All figures converted at
\$1 = Rs. 7.50
unless otherwise noted
I T E M

	INDIAN FISCAL YEARS									
	ACTUAL				ESTIMATED		PROJECTED			
	1965/66		1966/67		1967/68		1968/69		1969/70	
	Total	Interest	Total	Interest	Total	Interest	Total	Interest	Total	Interest
A. LONG-TERM LOANS FROM PRESENT COMMITMENTS (As of 3/31/67)										
1. Official	332.7	147.0	362.0	151.5	298.8	138.7	415.4	154.3	410.4	141.4
a. U.S.	47.8	21.0	57.5	26.9	63.0	27.7	69.3	32.0	67.0	28.1
1. AID	(6.3)	(6.3)	(9.0)	(9.0)	(10.2)	(10.2)	(13.8)	(12.6)	(15.0)	(13.6)
2. EX-IM	(41.5)	(14.7)	(48.5)	(17.9)	(52.8)	(17.5)	(55.5)	(19.4)	(52.0)	(14.5)
b. IBRD/IDA	81.0	36.3	88.0	39.0	43.0	38.0	88.0	38.0	88.0	36.0
c. Other-Consortium	148.1	73.7	154.7	68.4	115.1	54.8	165.4	66.5	166.9	62.0
d. Non-Consortium	55.8	16.0	61.8	17.2	78.0	18.2	92.7	17.8	88.5	15.3
2. Private										
a. U.S. - n.a.										
b. Other - n.a.										
B. LONG-TERM LOANS FROM FUTURE COMMITMENTS										
1. Official							64.2	64.2	142.5	123.6
a. U.S.							3.5	3.5	7.3	6.6
1. AID							(3.3)	(3.3)	(5.9)	(5.9)
2. EX-IM							(.2)	(.2)	(1.4)	(.7)
b. IBRD/IDA							2.5	2.5	3.6	3.6
c. Other-Consortium							55.2	55.2	123.6	105.4
d. Non-Consortium							3.0	3.0	8.0	8.0
2. Private										
a. U.S. - n.a.										
b. Other - n.a.										
GRAND TOTAL	332.7	147.0	362.0	151.5	285.8*	125.7*	479.6	218.5	552.9	265.0

- Notes: 1. Debt service payments on loans from present commitments are based on a MOF debt service schedule dated July 14, 1967. The payments on future commitments are based on projections used in the 1966/67 Program Memorandum (Status-quo Case).
2. Adjustments were made for 1967/68 debt rescheduling of \$96.3 million as follows (in U.S. \$ millions): Austria, .4; Germany, 7.25; Japan, 6.1; U.K., 32.5; Canada, 2.1; and IBRD, 48.0.
- *3. After taking account of debt rescheduling total interest payments for 1967/68 are \$126 million in the PM and \$138 million in the MOF debt schedule. The PM figure is based on more recent data and reflects the abnormally low aid arrivals during 1966/67.
4. U.K. debt repayment for 1968/69 and 1969/70 are converted at £1 = \$2.40.

AID 1020-1 (7-64) C-4(c) (i)	1. DATA CURRENT AS OF: January 1968	2. COOPERATING COUNTRY INDIA	SECURITY CLASSIFICATION CONFIDENTIAL	(In Millions of U.S. dollars)	EXPENDITURES UNDER U.S. ASSISTANCE PROGRAMS C-4(c) (i)
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INDIAN FISCAL YEARS

ITEM	ACTUAL		ESTIMATED	PROJECTED	
	(1) 1965/66	(2) 1966/67	(3) 1967/68	(4) 1968/69	(5) 1969/70
I. EXISTING COMMITMENTS					
A. Grants	<u>185</u>	<u>40</u>	<u>19</u>		
1. AID	9	9	10		
2. P.L. 480	176				
a. Title I	(126)	neg. ^a /			
b. Title II	(1)	2			
c. Title III	(49)	29	9		
3. MAP					
4. OTHER					
B. Long-Term Loans	<u>582</u>	<u>797</u>	<u>457</u>	<u>189</u>	<u>24</u>
1. AID/DLF	329	235	409	144	24
2. P.L. 480					
a. Title I	168	516 ^a /			
b. Cooley	32	18 ^a /	35	40	
3. MAP					
4. EX-IM	53	28	13	5	
II. FUTURE COMMITMENTS					
A. Grants			<u>62</u>	<u>82</u>	<u>110</u>
1. AID Economic			4	16	16
2. P.L. 480					
a. Title I			7	11	30
b. Title II			51	55	64
c. Title III					
3. MAP					
B. Long-Term Loans			<u>377</u>	<u>670</u>	<u>795</u>
1. AID			5	316	426
2. P.L. 480					
a. Title I			372	349	327
b. Cooley					30
3. MAP					
4. EX-IM				5	12

ITEM	INDIAN FISCAL YEARS				
	ACTUAL		ESTIMATED PROJECTED		
	(1) 1965/66	(2) 1966/67	(3) 1967/68	(4) 1968/69	(5) 1969/70
III. TOTAL U.S. ASSISTANCE (Gross)	767.0	837.0	915.0	941.0	929.0
IV. DEBT SERVICE ^{b/}	142.0	149.0	168.3	175.0	185.0
A. Interest	(81.4)	(82.0)	(93.3)	(94.5)	(99.0)
B. Repayments	(60.6)	(67.0)	(75.0)	(80.5)	(86.0)
V. TOTAL U.S. ASSISTANCE (Net)	625.0	688.0	746.7	766.0	744.0

a/ Source: USDO converted at 14.74 (the average for the IFY).

b/ Total Debt Service:

(i) Interest

Payable in Foreign Exchange	(21.0)	(27.0)	(28.0)	(36.0)	(35.0)
Payable in Rupees	(60.4)	(55.0)	(65.3)	(58.5)	(64.0)

(ii) Principal

Payable in Foreign Exchange	(27.0)	(31.0)	(35.0)	(37.0)	(40.0)
Payable in Rupees	(33.8)	(36.0)	(40.0)	(43.5)	(46.0)

AID 1020-1 (7-64) C-4(d)	1. DATA CURRENT AS OF: January 1968	2. COOPERATING COUNTRY INDIA	SECURITY CLASSIFICATION CONFIDENTIAL	AID LOAN EXPENDITURES	(In Millions of U.S. dollars)	C-4(d)
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INDIAN FISCAL YEARS

LOAN AMOUNT	EXPENDS. THROUGH MARCH 31, 1967	ACTUAL EXPENDS. IN 1966/67	ESTIMATED EXPEND IN 1967/68	PROJECTED EXPENDITURES		
				IN	IN	AFTER
				1968/69	1969/70	1969/70

I. EXISTING COMMITMENTS (Prior April 1967)

Project Loans

1.	386-A-013	Public Power Development	10.0	9.5		0.5		
2.	018	Sharavathi Hydroelectric Plant*	8.0	6.6	0.2	1.3		
3.	021	Chandrapura Thermal Power*	30.0	26.9	0.5	1.4		
4.	022	Durgapur Thermal Power*	20.0	16.1	0.04	0.3		
5.	031	Railway III	50.0	48.3	0.973	1.7		
6.	039	National Small Industry Corp.*	10.0	9.0	0.2			
7.	044	Talchar Power Project*	33.0	25.7	2.8	4.0	3.0	
8.	045	Birsinghpur Amar Thermal Power	8.4	6.6	1.4	1.8		
9.	046	Sharavathi Hydroelectric II	18.4	13.5	1.2	3.0	1.9	
10.	H-052	Gambay Dhu. Thermal Power I*	33.6	31.9	-			
11.	056	Bandel Thermal Power*	38.0	33.5	0.3	3.5		
12.	057	Patherdih Coal Washery*	4.2	3.6	-	0.4		
13.	060	Rayon Tire (DCM)	9.8	8.0	0.2	0.8	1.0	
14.	061	Pamba-Kakki Hydroelectric	20.2	17.9	0.6	1.5	0.8	
15.	062	Industrial Finance Corp. of India	20.0	11.0	5.6	7.0	2.0	
16.	063	Thermal Plant - Trombay	17.9	17.2	0.8	0.7		
17.	068	Ramagundam Thermal Power	8.4	4.0	2.3	2.0	2.0	0.4
18.	069	Delhi C. Indrapra Thermal Power*	16.0	11.9	5.5	3.0	1.0	
19.	077	Satpura Thermal Power*	25.1	16.2	4.0	1.6		
20.	081	Central Ropeway F Project*	7.7	6.7	0.4	0.9		
21.	084	Chandrapura Thermal II*	16.0	10.1	2.3	2.0	0.8	
22.	086	Railway V	15.8	14.7	1.1	1.1		
23.	087	Dudga Coal Washery Plant*	5.1	4.5	0.1	0.5		
24.	091	Tarapur Nuclear Power*	80.0	56.0	23.2	10.0	4.0	
25.	101	National Engineering Industry; Expansion	4.3	0.5	0.5	3.7	0.1	
26.	104	Trombay II Methanol Plant	7.8	6.8	0.8	0.9	0.1	
27.	109	Sharavathi Hydroelectric III	3.1	0.2	0.2	1.5	1.3	0.1
28.	115	Consulting Services	2.0	0.2		0.9	0.7	0.2
29.	118	Hindustan Motors Ltd., Mfg. Plant	23.0	8.2	8.2	12.0	2.8	
30.	119	Hindustan Motors Shovel Project	2.9	0.6	0.3	1.7	0.6	
31.	120	Tata Engineering; Truck Expansion	11.8	7.3	2.7	3.0	1.5	
32.	126	Beas Dam Project	33.0	2.2	2.2	5.0	8.0	9.8
33.	131	Industrial Finance Corp. of India	10.0			3.5	4.5	2.0
34.	137	Railway VII	3.8			3.0	0.8	
35.	141	Geogh. Survey & Mineral Exploration	3.5			3.0	0.5	

AID 10204 (7-64) C-4(d) (ii)	1. DATA CURRENT AS OF: January 1968	2. COOPERATING COUNTRY INDIA	SECURITY CLASSIFICATION CONFIDENTIAL	AID LOAN EXPENDITURES	(In Millions of U.S. dollars)	C-4(d) (ii)
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INDIAN FISCAL YEARS

LOAN AMOUNT	EXPENDS. THROUGH MARCH 31, 1967	ACTUAL EXPENDS IN 1966/67	ESTIMAT ED EXPEND IN 1967/68	PROJECTED EXPENDITURES		
				IN 1968/69	IN 1969/70	AFTER 1969/70
36. 386-H-143 Gambay Dhu, Thermal Power	32.3		1.0	10.0	10.0	11.3
37. 164 Higher Education	12.0		1.0	5.0	3.0	3.0
<u>Non-Project Loans</u>						
38. AID-103	225.0	223.9	25.2	1.1		
39. 111	50.0	48.8	6.0	1.2		
40. 138	190.0	119.8	48.4	70.2		
41. 152	50.0	48.5	42.6	1.5		
42. 155	100.0	39.5	39.5	60.5		
43. 160	150.0	4.9	4.9	120.1	25.1	
44. 168	132.0			65.5	66.5	
II. FUTURE COMMITMENTS (April 1967 et seq)						
1. Program Loans	2,139.0		5.0	301.0	390.0	
2. Project Loans	380.0			15.0	36.0	
III. TOTAL*	4,071.1	920.8	235.2	414.3	460.0	449.7

* - Firm plans for remaining expenditures not yet resolved; some deobligation possible.