Ministry of Finance
Department of Economic Affairs
Economic Division
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MONTHLY ECONOMIC REPORT
MARCH 2010

HIGHLIGHTS

- The overall growth of GDP at factor cost at constant 2004-05 prices, as per Advance Estimates released by the Central Statistical Organization was 7.2 per cent in 2009-10 representing an increase from the level of growth of 6.7 per cent during 2008-09.
- During the Pre-monsoon period (March-May) upto 07.04.2010, the cumulative rainfall received for the country as a whole has been 18.7 mm against the normal of 38.9 mm which is 52 per cent less than the Long Period Average (LPA).
- Food grains (rice & wheat) stocks held by FCI and State agencies were 47.45 million tonnes as on January 1, 2010, compared to a level of 35.78 million tonnes on January 1, 2009.
- Overall growth in the Index of Industrial Production (IIP) was 15.1 per cent during February 2010 as compared to 0.2 per cent in February 2009. During April-February 2009-10, IIP growth was 10.1 per cent compared to 3.0 per cent during April-February 2008-09.
- Core infrastructure-supportive sectors grew by 7.2 per cent in March 2010 compared to a growth of 3.3 per cent in March 2009. During 2009-10 (April-March), these sectors grew at 5.5 per cent as compared to a level of 3.0 per cent during 2008-09.
- During the financial year 2009-10 (up to March 26, 2010), broad money (M_3) increased by 16.9 per cent, compared to 19.1 per cent during the corresponding period of the last year.
- Exports, in US dollar terms increased by 34.8 per cent and imports increased by 66.4 per cent, during February 2010.
- Foreign exchange reserves (excluding gold, SDRs and Reserve Tranche Position in the IMF) stood at US $ 254.9 billion at the end of March 2010, compared to a level of 241.7 billion at the end of March 2009.
- Rupee appreciated against US dollar, Pound Sterling, Japanese Yen and Euro in the month of March 2010 over February 2010.
- Year-on-year inflation in terms of Wholesale Price Index is 9.90 per cent for the month of March 2010, compared to 1.20 per cent in March 2009 and 9.89 per cent in February 2010.
- Tax revenue (net to Centre) during April-February, 2009-10 recorded a growth of 0.6 per cent compared with corresponding period of 2008-09.
- As a proportion of budget estimate, fiscal deficit during April-February 2009-10 was 95 per cent and revenue deficit was 111.7 per cent.

ANTONY CYRIAC
Additional Economic Adviser
a.cyriac@nic.in

ECONOMIC GROWTH

As per the Advance Estimate (AE) of Central Statistical Organization (CSO), the growth in Gross Domestic Product (GDP) at factor cost at constant (2004-05) prices was estimated at 7.2 per cent in 2009-10 as compared to 6.7 per cent in 2008-09 (Quick Estimate). At disaggregated level, this (AE 2009-10) comprises a decline of 0.2 per cent in agriculture and allied activities, a growth of 8.2 per cent in industry and 8.7 per cent in services as compared to a growth of 1.6 per cent, 3.9 per cent and 9.8 per cent respectively during 2008-09.

Table 1: Growth of GDP at factor cost by economic activity (at 2004-05 prices)

	Industry	Growth				Percentage share in GDP			
		2006-07	2007-08	2008-09 (QE)	2009-10 (AE)	2006-07	2007-08	2008-09 (QE)	2009-10 (AE)
1	**Agriculture, forestry & fishing**	**3.7**	**4.7**	**1.6**	**-0.2**	**17.2**	**16.4**	**15.7**	**14.6**
2	**Industry**	**12.7**	**9.5**	**3.9**	**8.2**	**28.7**	**28.8**	**28.0**	**28.2**
a	Mining & quarrying	8.7	3.9	1.6	8.7	2.6	2.5	2.4	2.4
b	Manufacturing	14.9	10.3	3.2	8.9	16.0	16.2	15.6	15.9
c	Electricity, gas & water supply	10.0	8.5	3.9	8.2	2.0	2.0	2.0	2.0
d	Construction	10.6	10.0	5.9	6.5	8.0	8.1	8.0	8.0
3	**Services**	**10.2**	**10.5**	**9.8**	**8.7**	**54.2**	**54.8**	**56.3**	**57.2**
a	Trade, hotels, transport & communication	11.7	10.7	7.6	8.3	25.6	25.9	26.1	26.4
b	Financing , insurance, real estate & business services	14.5	13.2	10.1	9.9	15.8	16.4	16.9	17.3
c	Community, social & personal services	2.6	6.7	13.9	8.2	12.8	12.5	13.4	13.5
4	**GDP at factor cost**	**9.7**	**9.2**	**6.7**	**7.2**	**100.0**	**100.0**	**100.0**	**100.0**

(QE): Quick Estimate (AE): Advance Estimate

Table 2: Quarterly Estimate of GDP (Percentage change over previous Year)

	2007-08				2008-09				2009-10		
Items	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
1. Agriculture, forestry & fishing	**3.1**	**3.9**	**8.7**	**2.1**	**3.2**	**2.4**	-1.4	**3.3**	**2.4**	**0.9**	-2.8
Industry	**10.5**	**10.5**	**9.6**	**7.6**	**5.8**	**5.8**	**2.1**	**2.1**	**5.0**	**8.3**	**11.6**
2. Mining & quarrying	1.1	4.6	4.5	5.1	2.6	1.6	2.8	-0.3	7.9	9.5	9.6
3. Manufacturing	12.1	10.3	10.7	8.3	5.9	5.5	1.3	0.6	3.4	9.2	14.3
4. Electricity, gas & water supply	10.2	9.5	7.1	7.8	3.3	4.3	4.0	4.1	6.2	7.4	4.9
5. Construction	10.7	13.1	9.6	7.1	7.1	8.0	3.0	5.6	7.1	6.5	8.7
Services	**10.7**	**10.2**	**10.2**	**10.9**	**9.8**	**9.6**	**11.4**	**8.3**	**7.8**	**9.3**	**6.3**
6. Trade, hotels, transport & communication	11.9	9.5	10.7	10.9	10.8	10.0	4.4	5.7	8.1	8.5	10.0
7. Financing, insurance, real estate & bus. Services	14.0	13.8	13.3	11.9	9.1	8.5	10.2	12.3	8.1	7.7	7.8
8. Community, social & personal services	4.2	7.0	5.3	9.6	8.7	10.4	28.7	8.8	6.8	12.7	-2.2
9. GDP at factor cost (total 1 to 8)	**9.3**	**9.4**	**9.7**	**8.5**	**7.6**	**7.5**	**6.2**	**5.8**	**6.1**	**7.9**	**6.0**

AGRICULTURE

Rainfall

The rainfall situation in India is categorized into following four seasons:

(i) Winter Season (January-February)
(ii) Pre Monsoon (March-May)
(iii) South West Monsoon (June-September)
(iv) Post Monsoon (October-December)

Among the four seasons, South West Monsoon is the most important as more than 75 per cent of annual rainfall is received during this season. During the South West monsoon 2009, the country as a whole received 23 per cent less rainfall than the Long Period Average. The South West Monsoon performance (June-September) for the years 2001 to 2009 is given below:

Table 3: Monsoon performance : 2001 to 2009 (June – September)

Year	Number of meteorological subdivisions			Percentage of districts with normal/excess rainfall	Percentage of LPA rainfall for the country as a whole
	Normal	Excess	Deficient/Scanty		
2001	29	1	5	67	92
2002	14	1	21	39	81
2003	26	7	3	77	102
2004	23	0	13	56	86
2005	23	9	4	72	99
2006	20	6	10	60	99
2007	17	13	6	72	105
2008	30	2	4	76	98
2009	10	3	23	41	77

Source: India Meteorological Department.
Note: Excess = +20 per cent or more of LPA; Normal = +19 per cent to -19 per cent of LPA; Deficient = -20 per cent to -59 per cent of LPA; Scanty = -60 per cent to -99 per cent of LPA.

During the Pre-Monsoon period (March-May) upto 07.04.2010, the cumulative rainfall received for the country as a whole has been 18.7 mm against the normal of 38.9 mm which is 52 per cent less than the LPA. During this period, out of 36 meteorological sub-divisions in the country, 7 received excess/normal rainfall (19.44 per cent), 27 received scanty/deficient rainfall (75.00 per cent) and remaining 2 received no rainfall (5.56 per cent).

All India production of food grains (July-June)

According to the 2ndAdvance Estimates released on February 12, 2010, the production of food grains is estimated at 216.85 million tonnes during 2009-10 as compared to 234.47 million tonnes in 2008-09.

Procurement

Procurement of rice as on January 1, 2010 (KMS 2009-10) stood at 15.77 million tonnes which is at the same level on the corresponding date last year. Wheat procurement as on

January 1, 2010 (RMS 2009-10) was placed at 25.38 million tonnes which represents an increase of 11.86 per cent as compared with 22.69 million tonnes in the corresponding date last year.

Million tonnes

Table 4: Procurement in Million tonnes								
		Full Marketing Year					**As on 1, January**	
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009	2010
Rice(Oct-Sept.)	22.83	24.68	27.66	25.11	28.74	33.68	15.77	15.76
Wheat(Apr-Mar)	15.80	16.80	14.79	9.23	11.13	22.69	22.69	25.38
Total	38.63	41.48	42.45	34.34	39.87	56.37	38.46	41.14

Off-take

Off-take of rice during the month of December, 2009 was 24.64 lakh tonnes. This comprises: 19.90 lakh tonnes under TPDS and 4.74 lakh tonnes under other schemes. In respect of wheat, the total off take was 19.55 lakh tonnes comprising of: 16.20 lakh tonnes under TPDS and 3.35 lakh tonnes under other schemes.

Stocks

Stocks of food-grains (rice and wheat) held by FCI as on January 1, 2010 were 47.44 million tonnes, which was higher by 36.61 per cent over the level of 35.78 million tonnes as on January 1, 2009.

Table 5: Off-take and stocks of food-grains (Million tonnes)							
	Off-take					**Stocks**	
	2005-06	**2006-07**	**2007-08**	**2008-09**	**During 2009-10 (up to Dec/09)**	**Jan 1, 2009**	**Jan1, 2010**
Rice	25.08	25.06	25.23	24.62	20.45	17.57	24.35
Wheat	17.17	11.71	12.20	14.88	15.38	18.21	23.09
Total	42.25	36.77	37.43	39.50	35.83	35.78	47.44

INDEX OF INDUSTRIAL PRODUCTION

Indian industry achieved an impressive recovery in the recent months. The Index of Industrial Production recorded a growth of 10.1 per cent during April-February 2009-10, compared to 3.0 per cent during April-February 2008-09. Tracing the industrial recovery over quarters, the year on year IIP growth improved consistently from 3.8 per cent in Q1 2009-10 to 9.0 per cent in Q2, further to 13.4 per cent in Q3 and to 15.9 per cent in January-February 2009-10. While both manufacturing and mining grew around 10 per cent, electricity grew at 5.8 per cent during April-February 2009-10. Consumer durables and intermediate goods recorded robust growth in April- February 2009-10. The growth of capital goods at 18.2 per cent during the period, on top of their reasonable growth in the previous year, is indicative of the pickup in investment demand. On the other hand, the slowdown in consumer non-durables during 2009-10 is partly due to the spill-over from the agricultural sector.

Table 6: **Percentage change in Index of Industrial Production (IIP)- sector-wise**

Industry Group	2007-08	2008-09	Feb 2009	Feb 2010	Apr - Feb 2008-09	Apr - Feb 2009-10
General index	8.5	2.6	0.2	15.1	3.0	10.1
Mining	5.1	2.6	-0.2	12.2	2.6	9.7
Manufacturing	9.0	2.6	0.2	16.0	3.1	10.5
Electricity	6.4	2.8	0.7	6.7	2.4	5.8
Use-based industrial groups						
Basic goods	7.0	2.6	-0.1	8.4	2.7	6.7
Capital goods	18.0	7.1	11.8	44.4	9.2	18.2
Intermediate goods	9.0	-2.0	-3.0	15.6	-2.3	13.7
Consumer goods	6.1	4.6	-1.3	8.9	5.1	7.1
Durables	-1.0	4.5	6.0	29.9	-4.1	25.5
Non-durables	8.6	4.6	-3.4	2.3	5.4	1.3

SIX CORE INDUSTRIES

The index for 6 core industries (comprising crude oil, petroleum refinery products coal, electricity, cement and finished carbon steel) with a weight of 26.68 per cent in the IIP grew at 5.5 per cent in 2009-10 compared to 3.0 per cent in 2008-09.

Table 7: Production in Core Infrastructure- Supportive Industries

		March		April—March		Percentage Change			
Industry	*Unit*	2009	2010	2008-09	2009-10	March 2009	March 2010	2008-09	2009-10
Coal	Mn tonnes	55.76	60.12	487.9	526.6	5.3	7.8	8.0	7.9
Electricity generation	in kwh	65057	70099	723794	771173	6.3	7.8	2.7	6.5
Crude	000	2857	2957	33508	33688	-2.3	3.5	-2.0	0.5
Petroleum	000	13000	12948	149518	148914	3.3	-0.4	3.0	-0.4
Finished steel	000	4874	5323	54152	56803	-1.8	9.2	1.6	4.9
Cement	000	18600	20060	186940	206630	10.1	7.8	7.2	11
Overall growth	-	-	-	-	-	3.3	7.2	3.0	5.5

([1]): This will not necessarily match the growth in electricity given in the Index of Industrial Production

MONEY AND BANKING

During 2009-10, broad money (M_3) (up to March 26, 2010) increased by 16.9 per cent as compared to 19.1 per cent during the corresponding period of the last year. The year-on-year growth, as on March 26, 2010 was 16.7 per cent as compared to 19.3 per cent last year.

Table 8: Money Stock : Components and Sources(Rs. crore)

	Item	Outstanding as on (Rs. crore)		Growth rates (per cent)			
				Financial Year so far		Year on Year	
				2008-09	2009-10	2008-09	2009-10
		Mar 31, 2009	Mar 26, 2010	%	%	%	%
M_3		47,77,069	55,83,259	19.1	16.9	19.3	16.7
Components (i+ii+iii+iv)							
(i)	Currency with the Public	6,66,276	7,69,992	17.3	15.6	17.0	15.5
(ii)	Demand Deposits with Banks	5,81,515	7,14,157	0.2	22.8	0.6	23.2
(iii)	Time Deposits with Banks	35,23,705	40,93,577	23.4	16.2	23.5	15.9
(iv)	"Other" Deposits with Reserve Bank	5573	5533	–44.7	–0.7	–5.0	10.4
Sources (i+ii+iii+iv-v)							0.0
(i)	Net Bank Credit to Government (a+b)	12,77,724	16,18,933	38.9	26.7	48.0	29.6
	(a) Reserve Bank	61580	1,70,892				0.0
	(b) Other Banks	12,16,144	14,48,041	20.1	19.1	20.1	19.0
(ii)	Bank Credit to Commercial Sector (a+b)	30,20,516	34,86,447	16.7	15.4	16.8	15.8
	(a) Reserve Bank	13820	4522	-	-	-	-
	(b) Other Banks	30,06,696	34,81,925	16.4	15.8	16.5	16.1
(iii)	Net Foreign Exchange Assets of Banking Sector*	13,52,184	12,73,042	3.8	–5.9	3.6	–5.3
(iv)	Government's Currency Liabilities to the Public	10054	10919	9	8.6	9.0	8.6
(v)	Banking Sector's Net Non-Monetary Liabilities	8,83,409	8,06,082	8.5	–8.8	15.8	–2.9
	of which :						
	Net Non-Monetary Liabilities of RBI	3,87,927	3,11,148	85.6	–19.8	81.1	–20.3

* : Includes investments in foreign currency denominated bonds issued by IIFC(UK) since March 20, 2009.

Note : Government Balances as on March 31, 2009 are after closure of accounts.

Reserve money (M_0) during the financial year 2009-10 (up to March 26, 2010) showed an increase of 11.8 per cent as compared to increase of 2.0 per cent in the corresponding period of the previous year. The year-on-year variation revealed an increase of 16.6 per cent as on March 26, 2010, compared to an increase of 9.0 per cent on the corresponding date of the previous year.

An important source of reserve money, namely, net foreign exchange assets (NFA) of the RBI recorded a decline of (-) 3.9 per cent (during the financial year) as on March 26, 2010 as compared to an increase of 2.9 per cent in the same period last year. The y-o-y growth rate of NFA, as on March 26, 2010 was (-) 3.3 per cent as compared to a growth of 2.7 per cent on the corresponding date of the last year.

Scheduled Commercial Banks (SCBs): business in India

During the current financial year (up to March 26, 2010), bank credit increased by 16.7 per cent compared to an increase of 17.5 per cent during the corresponding period of last year. The Non-Food credit during the financial year (up to March 26, 2010) also recorded an increase of 16.7 per cent as compared to an increase of 17.8 per cent during the corresponding period of last year. The financial year growth in aggregate deposits with SCBs as on March 26, 2010 was 17.0 per cent as against an increase of 19.9 per cent in the corresponding period of last year.

Table 9: Select Scheduled Commercial banks – Business in India

Items	Outstanding as on (Rs. crore)		Percentage Variation			
			Financial year so far		Year on year	
	Mar 27, 2009	March 26, 2010	2008-09	2009-10	2008-09	2009-10
1. Bank credit	2775549	32,40,399	17.5	16.7	17.5	16.7
Non-Food credit	2729338	31,91,909	17.8	16.9	17.8	16.9
2. Aggregate deposits	3834110	44,86,574	19.9	17.0	19.9	17.0
3. Investments in Govt. and other approved securities	1166410	13,82,684	20.0	18.5	20.0	18.5

Interest rates (per cent per annum)

As on April 20, 2010, Bank Rate was 6.00 per cent, the same as on the corresponding date of last year. Call money rates (borrowing & lending) were in the range of 0.75/3.40 per cent as compared with 1.90/3.35 per cent on the corresponding date of last year.

Table 10: Policy Rates/Interest Rates(per cent per annum)

Item / Week Ended	**2009**	**2010**
	November 20	**April 20**
Cash Reserve Ratio (per cent)[(1)]	5.00	6.00
Bank Rate	6.00	6.00
Repo Rate	4.75	5.25
Reverse Repo Rate	3.25	3.75
Prime Lending Rate[(2)]	11.00-12.00	11.00-12.00
Deposit Rate[(3)]	6.00-7.50	6.00-7.50
Call Money Rate (Low / High)[(4)]		
- Borrowings	1.90-3.35	-
- Lendings	1.90-3.35	-

(1) Cash Reserve Ratio relates to Scheduled Commercial Banks (excluding Regional Rural Banks).

(2) Prime Lending Rate relates to five major Banks.

(3) Deposit Rate relates to major Banks for term deposits of more than one year maturity.

(4) Data cover 90-95 per cent of total transactions reported by participants.

EXTERNAL SECTOR

Foreign trade

Exports, in US dollar terms and customs basis, during February 2010 increased by 34.8 per cent and imports increased by 66.4 per cent over February 2009. Oil imports increased by 97.4 per cent and non-oil imports increased by 55.6 per cent during February 2010 over February 2009.

Table 11: Exports and imports (in US dollar million)

Item	2007-08	2008-09(P)	February 09	February 10(P)	% Change in February
Exports	163132	185295	11941	16091	34.8
Imports	251654	303696	15062	25057	66.4
Oil imports	79644	91316	3869	7636	97.4
Non-Oil imports	172010	212380	11193	17421	55.6
Trade balance	-88522	-118401	-8965	-95418	-

Source: Provisional data as per the Press Note of the Ministry of Commerce and Industry

Foreign Exchange Reserves

Table 12: Foreign exchange reserves (Excluding Gold, SDRs and Reserve Tranche Position in IMF)

	Amount		Variation	
	Rs. Crore	$ Million	Rs. Crore	$ Million
At the end of			**(over last year)**	
March, 2006	647327	145108	54206	9537
March, 2007	836597	191924	189270	46816
March, 2008	1196023	299230	359426	107306
March, 2009	1231340	241676	35317	-57554
2009-10			**(over last month)**	
April, 2009	1214003	241737	-17337	61
May, 2009	1190318	251706	-23685	9969
June, 2009	1217542	254343	27224	2637
July, 2009	1256401	260881	38859	6538
August, 2009	1278198	261497	21797	616
September, 2009	1271250	264623	-6948	3126
October, 2009	1253914	267018	-17336	2395
November, 2009	1224475	263441	-29439	-3577
December, 2009	1208232	258833	-16243	-4608
January, 2010	1189912	256612	-18320	-2221
February, 2010	1175358	254241	-14554	-2371
March, 2010	1150778	254935	-24580	694

Source: RBI.

Exchange rate

The monthly average exchange rate of rupee appreciated by 1.8 per cent against US dollar, 5.9 per cent against Pound Sterling, 2.3 per cent against Japanese Yen and 2.6 per cent against Euro in the month of March, 2010 over February, 2010.

Table 13: **Rupees per unit of foreign currency**

	US Dollar	Pound Sterling	Japanese Yen	Euro
March, 2007	44.0260	85.6763	0.3754	58.2684
March, 2008	40.3561	80.8054	0.4009	62.6272
March, 2009	51.2287	72.9041	0.5251	66.9207
2009-10				
April, 2009	50.0450	73.5485	0.5089	65.7674
May,2009	48.5330	74.8326	0.5022	66.2039
June, 2009	47.7714	78.1576	0.4945	66.9807
July,2009	48.4783	79.3477	0.5126	68.2407
August, 2009	48.2985	79.9325	0.5080	68.8711
September, 2009	48.4389	79.3464	0.5285	70.4351
October, 2009	46.7211	75.7263	0.5176	69.2858
November, 2009	46.5673	77.3275	0.5228	69.4998
December, 2009	46.6288	75.7647	0.5201	68.1838
January, 2010	45.9598	74.2709	0.5031	65.7060
February, 2010	46.3279	72.4519	0.5132	63.3995
March, 2010	45.4965	68.4360	0.5018	61.7653

@ FEDAI Rates

External assistance and debt service payments

Gross external aid in March 2010 at Rs. 3,352.35 crore shows a decline of 31.3 per cent, compared to Rs. 4,881.53 crore in March 2009. Net disbursement was Rs. 2,380.19 crore in March 2010 as compared to Rs. 3,907.41 crore in March 2009. Net transfers were Rs. 1930.49 crore in March 2010 as compared to Rs. 3395.56 crore in March 2009.

Table 14: External assistance and debt service payments (Rs. crore)

	March 2010	2009-2010	March 2009	2008-2009
External Assistance (Government Account)				
1) Gross Disbursement	2,963.31	21,142.73	3,433.74	19,805.34
2) Repayments	922.52	11,139.65	954.64	10,007.02
3) Interest Payments	414.74	3,621.27	500.60	4,189.54
4) Net Disbursement (1-2)	2,040.79	10,003.08	2,479.10	9,798.32
5) Net Transfers (4-3)	1,626.05	6,381.81	1,978.50	5,608.78
External Assistance (Non-Government Account)				
1) Gross Disbursement	9.27	4,586.47	997.60	4,311.18
2) Repayments	49.64	1,294.20	19.48	1,079.87
3) Interest Payments	34.96	670.10	11.25	662.55
4) Net Disbursement (1-2)	-40.37	3,292.27	978.12	3,231.31
5) Net Transfers (4-3)	-75.33	2,622.17	966.87	2,568.76
Government Grants				
1) Gross Disbursement	379.77	3,067.04	440.05	2,782.26
2) Repayments	0.00	0.00	0.00	0.00
3) Interest Payments	0.00	0.00	0.00	0.00
4) Net Disbursement (1-2)	379.77	3,067.04	440.05	2,782.26
5) Net Transfers (4-3)	379.77	3,067.04	440.05	2,782.26
Non-Government Grants				
1) Gross Disbursement	0.00	8.06	10.14	40.67
2) Repayments	0.00	0.00	0.00	0.00
3) Interest Payments	0.00	0.00	0.00	0.00
4) Net Disbursement (1-2)	0.00	8.06	10.14	40.67
5) Net Transfers (4-3)	0.00	8.06	10.14	40.67
Grand Total				
1) Gross Disbursements	3,352.35	28,804.30	4,881.53	26,939.45
2) Repayments	972.16	12,433.85	974.12	11,086.89
3) Interest Payments	449.70	4,291.37	511.85	4,852.09
4) Net Disbursement (1-2)	2,380.19	16,370.45	3,907.41	15,852.56
5) Net Transfers (4-3)	1,930.49	12,079.08	3,395.56	11,000.47

INFLATION

Year-on-year inflation measured in terms of WPI for March 2010 (9.90 per cent) was almost the same as in February 2010 (9.89 per cent). Inflation had remained in the negative zone for three months from June 2009 to August 2009, primarily due to negative inflation in non-food articles like raw cotton, oilseeds; minerals like iron ore; fuel, power, light & lubricants like mineral oils, coal mining and electricity; manufactured products like edible oils man-made fibers, leather & leather products, fertilizers, metals and machinery & machine tools. The annual average inflation for 2009-10 was 3.74 per cent compared to 8.41 per cent during 2008-09.

Table 15: Current price situation based on monthly Wholesale Price Index (Base: 1993-94)

Items/Groups	Weight (%)	Percent variation during					
		Cumulative change from March		Inflation (Year-on-Year)		Inflation (Average of last 12 months)	
		In March		In March		In March	
		2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
All Commodities	100.00	1.20	9.90	1.20	9.90	8.41	3.74
1. Primary articles	22.02	5.21	14.10	5.21	14.10	10.06	10.62
2. Fuel and Power group	14.23	-6.00	12.71	-6.00	12.71	7.44	-2.36
3. Manufactured Products	63.75	2.29	7.13	2.29	7.13	8.10	3.18

Consumer price index

The year-on-year inflation based on All India Consumer Price Index for Industrial Workers (CPI-IW) in February, 2010 was 14.86 per cent as against 9.63 per cent in February 2009. The food inflation based on CPI-IW in February 2010 is reported to be 17.30 per cent compared to 19.23 per cent in January 2010.

Table 16: Consumer Price Index for Industrial Workers (CPI-IW)

Month / Year/	General	Food	Pan, supari, Tobacco & Intoxicants	Fuel & light	Housing	Clothing, bedding& footwear	Miscella-neous group	Non-food
Weight	100.00	46.20	2.27	6.43	15.27	6.57	23.26	53.80
Feb-09	9.63	13.04	7.58	8.15	5.97	3.33	8.21	6.57
Apr-09	8.70	10.42	6.72	6.62	5.97	4.17	7.41	7.09
May-09	8.63	11.72	7.46	5.88	5.97	4.13	7.35	5.76
Jun-09	9.29	12.24	8.15	1.41	5.97	4.13	6.57	6.50
Jul-09	11.89	14.67	8.89	2.10	22.06	4.96	5.76	9.28
Aug-09	11.72	13.73	9.56	2.78	22.06	4.10	6.43	9.82
Sep-09	11.64	13.55	7.97	4.17	22.06	4.10	5.67	9.81
Oct-09	11.49	13.84	7.14	2.76	22.06	4.10	4.20	9.17
Nov-09	13.51	17.61	7.86	4.14	22.06	4.07	4.17	9.48
Dec-09	14.97	21.29	8.57	3.40	22.06	4.07	4.17	8.96
Jan-10	16.22	19.23	8.51	3.38	33.10	4.88	4.14	13.35
Feb-10	14.86	17.30	9.2	3.4	33.1	4.8	4.8	-

Table 17: World commodity price									
Commodity	**Unit**	**Annual Averages**		**World commodity Price**					
		Jan-Dec	**Jan-Dec**	**Jan**	**Feb**	**Mar**	**Y-o-Y variation in prices (%)**		
Energy		2008	2009	2010	2010	2010	Jan-10	Feb-10	Mar-10
Coal, Australia	$/mt	65.7	127.5	97.0	94.2	94.4	22.17	24.95	54.71
Crude oil, avg, spot	$/bbl	71.1	97.0	77.1	74.8	79.3	75.85	78.67	70.00
Crude oil, Brent	$/bbl	72.7	97.6	76.4	74.3	79.3	70.25	71.85	69.25
Crude oil, Dubai	$/bbl	68.4	93.8	76.6	73.6	77.4	70.42	70.53	69.76
Natural gas, US	$/mmbtu	7.0	8.9	5.8	5.3	4.3	10.79	18.07	8.66
Agriculture									
Coffee, robusta	c/kg	190.9	232.1	154.5	149.6	148.3	-15.30	-15.38	-11.87
Tea, auctions (3), average	c/kg	203.6	242.4	289.8	285.1	267.7	32.57	33.53	22.25
Coconut oil	$/mt	918.9	1223.7	784.0	798.0	921.0	6.81	18.57	47.36
Groundnut oil	$/mt	1352.1	2130.9	1316.0	1380.0	1380.0	-2.01	6.73	13.67
Palm oil	$/mt	780.3	948.4	793.0	798.0	832.0	41.10	39.51	39.13
Palmkernel oil	$/mt	888.5	1128.6	878.0	894.0	995.0	54.04	55.48	69.51
Soybean meal	$/mt	306.9	427.5	404.0	375.0	329.0	9.63	-1.57	-4.36
Soybean oil	$/mt	881.4	1257.5	923.0	914.0	915.0	16.95	22.19	25.86
Maize	$/mt	163.7	223.0	167.3	161.8	159.0	-3.19	-0.96	-3.35
Rice, Thailand, 25 or 5%	$/mt	306.5	646.6	568.8	535.0	504.8	-1.93	-9.44	-14.19
Wheat, US, HRW	$/mt	255.2	326.0	201.2	194.0	191.1	-15.86	-13.66	-17.26
Wheat US SRW	$/mt	238.6	275.1	198.8	191.8	190.0	1.88	4.61	3.40
Oranges	$/mt	957.8	1108.0	1089.5	981.8	897.8	39.19	28.07	6.06
Sugar, world	c/kg	22.2	28.2	58.4	56.0	41.8	110.25	91.33	41.42
Raw Materials									
Logs, Malaysia	$/cum	268.0	292.3	258.2	252.8	249.6	-21.67	-21.61	-13.50
Plywood	c/sheets	647.3	647.8	557.2	557.2	557.2	-3.04	-2.75	-2.38
Wood pulp	$/mt	767.0	821.1	752.6	776.5	790.0	24.10	41.23	46.92
Cotton A Index	c/kg	139.5	157.8	170.6	176.5	189.0	34.14	45.02	66.47
Rubber, US	c/kg	248.0	284.1	335.1	343.3	360.0	97.40	107.05	122.47
Rubber, Singapore	c/kg	229.0	261.0	309.2	312.7	333.9	107.88	113.74	133.34
Fertilizers									
DAP	$/mt	432.5	967.2	427.5	490.5	476.3	21.79	33.33	29.55
Phosphate rock	$/mt	70.9	345.6	97.5	103.8	105.0	-63.21	-34.13	-33.33
Potassium chloride	$/mt	200.2	570.1	354.4	335.0	312.5	-58.46	-61.60	-64.08
Urea, E. Europe, bulk	$/mt	309.4	492.7	275.8	288.6	278.8	4.70	5.63	5.04
Metals and Minerals									
Aluminium	$/mt	2638.2	2572.8	2235.2	2048.9	2205.6	58.17	54.03	65.11
Copper	$/mt	7118.2	6955.9	7386.3	6848.2	7462.8	129.34	106.60	99.02
Gold	$/toz	696.7	871.7	1118.0	1095.4	1113.3	30.19	16.16	20.46
Iron ore	c/dmtu	82.9	135.9	101.0	101.0	101.0	-28.20	-28.20	-28.20
Lead	c/kg	258.0	209.1	236.8	212.4	217.2	109.08	92.97	75.32
Nickel	$/mt	37230	21111	18439	18976	22461	63.08	82.31	131.65
Silver	c/toz	1341.3	1499.9	1775.1	1587.2	1715.5	55.72	18.12	30.80
Steel cr coilsheet	$/mt	650.0	965.6	700.0	700.0	775.0	-36.36	-36.36	-13.89
Steel hr coilsheet	$/mt	550.0	883.3	600.0	600.0	675.0	-40.00	-40.00	-15.63
Tin	c/kg	1453.7	1851.0	1771.5	1636.2	1754.9	55.76	48.21	64.38
Zinc	c/kg	324.2	187.5	243.4	215.7	227.5	105.02	93.95	86.98

Source : World Bank – The Pink Sheet

Table 18: Trends in Central Government Finances: April-February 2009-10							
	Budget Estimates	**April-February**		**Col.3 as % of**	**Col. 4 as % of**	**% Change over proceeding year**	
	2009-10	**2008-09**	**2009-10**	**2008-09 BE**	**2009-10 BE**	**2008-09**	**2009-10 (4/3)**
	(Rs. crore)						
(1)	(2)	(3)	(4)	(5)	(6)	(7))	(8)
1. Revenue Receipts	6,14,497	4,37,397	4,58,732	72.5	74.7	0.2	4.9
Gross tax revenue	6,41,079	4,98,715	4,90,694	72.5	76.5	7.0	-1.6
Tax (net to Centre)	4,74,218	3,56,390	3,58,641	70.3	75.6	1.1	0.6
Non Tax	1,40,279	81,007	1,00,091	84.6	71.4	-3.6	23.6
2. Capital Receipts	4,06,341	3,10,927	3,99,573	210.2	98.3	110.4	28.5
of which:							
Recovery of loans	4,225	3,751	5,886	83.4	139.3	-17.4	56.9
Other Receipts	1,120	43	12,786	0.4	1141.6		
Borrowings and other liabilities	4,00,996	3,07,133	3,80,901	230.4	95.0	191.4	24.0
3. Total Receipts (1+2)	10,20,838	7,48,324	8,58,305	99.7	84.1	28.1	14.7
4.Non-Plan Expenditure (a)+(b)	6,95,689	5,15,747	6,01,198	101.6	86.4	24.9	16.6
(a) Revenue Account	6,18,834	4,82,062	5,57,414	107.5	90.1	39.5	15.6
of which:							
Interest payments	2,25,511	1,65,799	1,77,257	86.9	78.6	14.9	6.9
Major Subsidies	1,05,579	1,17,222	1,09,660	176.2	103.9	107.3	-6.5
Pensions	34,980	27,741	41,727	110.6	119.3	31.9	50.4
(b) Capital Account	76,855	33,685	43,784	57.0	57.0	-49.8	30.0
5.Plan Expenditure (i)+(ii)	3,25,149	2,32,577	2,57,107	95.6	79.1	35.8	10.5
(i) Revenue Account	2,78,398	1,99,848	2,17,191	95.3	78.0	37.2	8.7
(ii) Capital Account	46,751	32,729	39,916	97.4	85.4	27.8	22.0
6.Total Expenditure (4)+(5)=(a)+(b)	10,20,838	7,48,324	8,58,305	99.7	84.1	28.1	14.7
(a)Revenue Expenditure	8,97,232	6,81,910	7,74,605	103.6	86.3	38.8	13.6
(b)Capital Expenditure	1,23,606	66,414	83,700	71.6	67.7	-28.4	26.0
7. Revenue Deficit	2,82,735	2,44,513	3,15,873	443.1	111.7	344.8	29.2
8. Fiscal Deficit	4,00,996	3,07,133	3,80,901	230.4	95.0	191.4	24.0
9. Primary Deficit	1,75,485	1,41,334	2,03,644	-245.7	116.0	-463.0	44.1

Source: Review of Union Government Accounts,, February 2010, Ministry of Finance.