

**Ministry of Finance**  
**Department of Economic Affairs**  
**Economic Division**  
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**MONTHLY ECONOMIC REPORT**  
**JANUARY 2013**  
**HIGHLIGHTS**

- The overall growth of GDP at factor cost at constant prices, as per Advance Estimates, is estimated at 5.0 per cent in 2012-13 as compared to the growth of 6.2 per cent during 2011-12 (First Revised Estimates). The growth rate for the first half (H1) of the current financial years stands at 5.4 per cent.
- The cumulative rainfall received for the country as a whole, during the period 1<sup>st</sup> January – 13<sup>th</sup> February 2013, has been 17% below normal.
- Food grains (rice and wheat) stocks held by FCI and State agencies were 66.19 million tonnes as on February 1, 2013.
- Overall growth in the Index of Industrial Production (IIP) was (-) 0.6 per cent during December 2012 as compared to 2.7 per cent in December 2011. During April- December 2012-13, IIP growth was 0.7 per cent as compared to 3.7 per cent in April- December 2011-12.
- Eight core Infrastructure industries registered a growth of 2.6 per cent in December 2012 as compared to growth of 4.9 per cent in December 2011. During April- December 2012-13, these sectors grew by 3.3 per cent as compared to 4.8 per cent during April- December 2011-12.
- Broad money (M<sub>3</sub>) for 2012-13 (up to January 25, 2013) increased by 10.1 per cent as compared to 10.5 per cent during the corresponding period of the last year. The year-on-year growth, as on January 25, 2013 was 12.7 per cent as compared to 14.8 per cent in the previous year.
- Exports and imports, in US dollar terms, increased by 0.8 per cent and 6.1 per cent respectively, during January 2013 over January 2012. The cumulative growth in exports and imports during 2012-13 (April-January) was (-) 4.9 per cent and 0.01 per cent respectively.
- Foreign Currency Assets stood at US\$ 262.5 billion in end January 2013 as compared to US\$ 259.2 billion in end January 2012.
- Rupee appreciated against US dollar, Pound sterling and Japanese yen and depreciated against Euro in the month of January 2013 over December 2012.
- The WPI inflation for all commodities for the month of January 2013 has declined to 6.62 per cent from 7.18 per cent in the previous month.
- Gross tax revenue at Rs. 681,345 crore during April-December 2012 registered a growth of 15 per cent compared to the corresponding period in the previous year.
- Tax revenue (net to Centre) at Rs. 484,156 crore during April- December 2012 registered a growth of 15.2 per cent.
- As a proportion of budget estimate, fiscal deficit during April–December 2012 was 78.8 per cent and revenue deficit was 85.1 per cent.

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## ECONOMIC GROWTH

As per the Advance Estimates of the Central Statistics Office (CSO), the growth in Gross Domestic Product (GDP) at factor cost at constant (2004-05 prices) is estimated at 5.0 per cent in 2012-13 with agriculture, industry and services registering growth rates of 1.8 per cent, 3.1 per cent and 6.6 per cent respectively. As per the First Revised Estimates, the growth in GDP at factor cost at constant (2004-05) prices is estimated at 6.2 per cent in 2011-12. At disaggregated level, this (First Revised 2011-12) comprises growth of 3.6 per cent in agriculture and allied activities, 3.5 per cent in industry and 8.2 per cent in services. The growth in GDP is placed at 5.3 per cent in the second quarter of 2012-13.

Industry		Growth			Percentage share in GDP		
		2010-11	2011-12 <sup>1R</sup>	2012-13 <sup>AE</sup>	2010-11	2011-12 <sup>1R</sup>	2012-13 <sup>AE</sup>
<b>1</b>	<b>Agriculture, forestry &amp; fishing</b>	<b>7.9</b>	<b>3.6</b>	<b>1.8</b>	<b>14.5</b>	<b>14.1</b>	<b>13.7</b>
<b>2</b>	<b>Industry</b>	<b>9.2</b>	<b>3.5</b>	<b>3.1</b>	<b>28.2</b>	<b>27.5</b>	<b>27.0</b>
a	Mining & quarrying	4.9	-0.6	0.4	2.2	2.1	2.0
b	Manufacturing	9.7	2.7	1.9	16.2	15.7	15.2
c	Electricity, gas & water supply	5.2	6.5	4.9	1.9	1.9	1.9
d	Construction	10.2	5.6	5.9	7.9	7.9	7.9
<b>3</b>	<b>Services</b>	<b>9.8</b>	<b>8.2</b>	<b>6.6</b>	<b>57.3</b>	<b>58.4</b>	<b>59.3</b>
a	Trade, hotels, transport & communication	12.3	7.0	5.2	27.3	27.5	27.5
b	Financing, insurance, real estate & business services	10.1	11.7	8.6	17.2	18.1	18.7
c	Community, social & personal services	4.3	6.0	6.8	12.8	12.8	13.0
<b>4</b>	<b>GDP at factor cost</b>	<b>9.3</b>	<b>6.2</b>	<b>5.0</b>	<b>100</b>	<b>100</b>	<b>100</b>

<sup>1R</sup>: 1<sup>st</sup> Revised Estimates; AE: Advance Estimates.

Industry	2010-11				2011-12				2012-13	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>Agriculture, forestry &amp; fishing</b>	<b>3.1</b>	<b>4.9</b>	<b>11.0</b>	<b>7.5</b>	<b>3.7</b>	<b>3.1</b>	<b>2.8</b>	<b>1.7</b>	<b>2.9</b>	<b>1.2</b>
<b>Industry</b>	<b>8.3</b>	<b>5.7</b>	<b>7.6</b>	<b>7.0</b>	<b>5.6</b>	<b>3.7</b>	<b>2.5</b>	<b>1.9</b>	<b>3.6</b>	<b>2.8</b>
2. Mining & quarrying	6.9	7.3	6.1	0.6	-0.2	-5.4	-2.8	4.3	0.1	1.9
3. Manufacturing	9.1	6.1	7.8	7.3	7.3	2.9	0.6	-0.3	0.2	0.8
4. Electricity, gas & water supply	2.9	0.3	3.8	5.1	8.0	9.8	9.0	4.9	6.3	3.4
5. Construction	8.4	6.0	8.7	8.9	3.5	6.3	6.6	4.8	10.9	6.7
<b>Services</b>	<b>10.0</b>	<b>9.1</b>	<b>7.7</b>	<b>10.6</b>	<b>10.2</b>	<b>8.8</b>	<b>8.9</b>	<b>7.9</b>	<b>6.9</b>	<b>7.2</b>
6. Trade, hotels, transport & communication	12.6	10.6	9.7	11.6	13.8	9.5	10.0	7.0	4.0	5.5
7. Financing, insurance, real estate & Buss. Services	10.0	10.4	11.2	10.0	9.4	9.9	9.1	10.0	10.8	9.4
8. Community, social & personal services	4.4	4.5	-0.8	9.5	3.2	6.1	6.4	7.1	7.9	7.5
<b>9. GDP at factor cost (total 1 to 8)</b>	<b>8.5</b>	<b>7.6</b>	<b>8.2</b>	<b>9.2</b>	<b>8.0</b>	<b>6.7</b>	<b>6.1</b>	<b>5.3</b>	<b>5.5</b>	<b>5.3</b>

Source; CSO.

## AGRICULTURE

**Rainfall:** With respect to rainfall situation in India, the year is categorized into four seasons: winter season (January-February); pre monsoon (March-May); south west monsoon (June-September) and post monsoon (October-December). South west monsoon accounts for more than 75 per cent of annual rainfall. The actual rainfall received during the winter season 2013, as on 13.2.2013 has been 22.7 mm as against the normal at 27.5 mm.

**All India production of food grains :** As per the 2nd advance estimates released by Ministry of Agriculture on 8.2.2013, production of food grains during 2012-13 is estimated at 250.14 million tonnes compared to 250.42 million tonnes (2<sup>nd</sup> advance estimates) in 2011-12.

**Procurement:** Procurement of rice as on 1<sup>st</sup> January, 2013 was 16.38 million tonnes of Rabi Marketing Season as against 15.62 million tonnes procured last year in the corresponding period respectively. This represents an increase of 4.87 per cent. Wheat procurement during Rabi Marketing Season 2012-13 is 38.15 million tonnes as compared to 28.15 million tonnes during the corresponding period last year.

<b>Table 3 : Procurement in Million Tonnes</b>				
	2009-10	2010-11	2011-12	2012-13
Rice	32.03	34.20	35.04	20.44*
Wheat	25.38	22.51	28.34	38.15**
Total	57.41	56.71	63.38	58.59
** Position as on 02.08.2012 * Position as on 18.1.2013				

**Off-take:** Off-take of rice during the month of December, 2012 was 28.78 lakh tonnes. This comprises 20.57 lakh tonnes under TPDS and 8.21 lakh tonnes under other schemes during December 2012. In respect of wheat, the total off take was 34.66 lakh tonnes comprising of 15.61 lakh tonnes under TPDS and 19.05 lakh tonnes under other schemes.

**Stocks:** Stocks of food-grains (rice and wheat) held by FCI as on February 1, 2013 were 66.19 million tonnes, which is higher by 19.8 per cent over the level of 55.25 million tonnes as on February 1, 2012.

<b>Table 4: Off-take and stocks of food grains (Million Tonnes)</b>					
	Off-take			Stocks	
	2010-11	2011-12(P)	2012-13(P)(up to Dec. 2012)	Feb.1, 2012	Feb.1, 2013
<b>Rice</b>	29.93	32.12	24.02	31.83	35.38
<b>Wheat</b>	23.07	24.26	23.14	23.42	30.81
<b>Total</b>	53.00	56.38	47.16	55.25	66.19

P = Provisional

## INDUSTRIAL PRODUCTION

**Table 5: Percentage Change in Index of Industrial Production**

Industry Group	April-December 2011-12	April-December 2012-13	December 2011	December 2012
General index	3.7	0.7	2.7	-0.6
Mining	-2.6	-1.9	-3.3	-4.0
Manufacturing	4.0	0.7	2.8	-0.7
Electricity	9.4	4.6	9.1	5.2
Basic goods	6.3	2.7	5.5	2.6
Capital goods	-2.9	-10.1	-16.0	-0.9
Intermediate goods	-0.7	1.6	-1.5	-0.1
Consumer goods	5.7	2.6	10.1	-4.2
Durables	5.1	3.7	5.1	-8.2
Non-durables	6.1	1.7	13.8	-1.4

cent (consumer durables (-) 8.2 per cent and in consumer non-durables (-) 1.4 per cent) during December 2012.

**Table 6: Production growth (per cent) in core infrastructure-supportive industries**

Industry	April-December 2011-12	April-December 2012-13	Dec. 2011	Dec. 2012
Coal	-2.7	5.7	5.5	-0.2
Crude oil	1.9	-0.4	-5.6	1.0
Natural Gas	-8.8	-13.3	-10.8	-14.9
Refinery Products	4.0	6.9	0.7	5.0
Fertilizers	-0.5	-3.4	0.8	-3.8
Steel	9.1	3.6	10.2	5.2
Cement	5.8	6.1	13.6	3.9
Electricity	9.3	4.6	8.9	4.4
<b>Overall</b>	<b>4.8</b>	<b>3.3</b>	<b>4.9</b>	<b>2.6</b>

2012, the overall growth of the core sector industries was 2.6 per cent as compared to the growth of 4.9 per cent during December 2011. During December 2012, the growth in steel was 5.2 per cent followed by refinery products 5.0 per cent, electricity 4.4 per cent, cement 3.9 per cent and crude oil 1.0 per cent. The coal, natural gas and fertilizer sectors have registered negative growth during December 2012.

During December 2012, the IIP growth was (-) 0.6 per cent as compared to 2.7 per cent during the corresponding period of previous year. In mining sector, the growth rate in December 2012 was (-) 4.0 per cent, in manufacturing (-) 0.7 per cent and in the electricity sector, 5.2 per cent. Under use-based category, the growth rate in basic goods was 2.6 per cent, in capital goods (-) 0.9 per cent, intermediate goods (-) 0.1 per cent and in consumer goods (-) 4.2 per cent.

### **Eight core industries:**

The index for eight core industries (comprising crude oil, petroleum refinery products, coal, electricity, cement, steel, natural gas and fertilizers) with a weight of 37.9 per cent in the IIP grew by 3.3 per cent during April-December 2012-13, as compared to growth rate of 4.8 per cent achieved during the corresponding period in 2011-12. During the month of December

## MONEY AND BANKING

- The Reserve Bank of India released the 3<sup>rd</sup> Quarter Review of Monetary Policy for 2012-13 on January 29, 2013. The important Policy Measures taken by RBI are as follows.
  - **Repo Rate:** Reduced the policy repo rate under the liquidity adjustment facility (LAF) by 25 basis points from 8.0 per cent to 7.75 per cent with immediate effect.
  - **Reverse Repo Rate:** Reverse repo rate under the LAF, determined with a spread of 100 basis points below the repo rate, also stands adjusted to 6.75 per cent with immediate effect.
  - **Marginal Standing Facility (MSF) Rate:** The Marginal Standing Facility (MSF) rate, determined with a spread of 100 basis points above the repo rate, stands adjusted to 8.75 per cent with immediate effect.
  - **Cash Reserve Ratio:** Reduced the cash reserve ratio (CRR) of scheduled banks by 25 basis points from 4.25 per cent to 4.0 per cent of their net demand and time liabilities (NDTL) effective the fortnight beginning February 9, 2013.
  - **Bank Rate:** The Bank Rate stands adjusted to 8.75 per cent with immediate effect.
- The RBI revised the baseline projection of GDP growth for 2012-13 from 5.8 per cent given in the 2nd Quarter Review to 5.5 per cent.
- Broad money (M<sub>3</sub>) for 2012-13 (up to January 25, 2013) increased by 10.1 per cent as compared to 10.5 per cent during the corresponding period of the last year. The year-on-year growth, as on January 25, 2013 was 12.7 per cent as compared to 14.8 per cent in the previous year.

**Table 7. Money Stock: Components and Sources**

(₹ Billion)						
<i>Item</i>	Outstanding as on		Variation over (%)			
	2012	2013	Financial Year so far		Year-on-Year	
	Mar. 31	Jan. 25	2011-12	2012-13	2012	2013
M3	73,577.5	81,004.0	10.5	10.1	14.8	12.7
1 Components						
1.1 Currency with the Public	10,256.7	11,087.9	9.2	8.1	12.1	11.4
1.2 Demand Deposits with Banks	7,049.1	6,922.8	-6.8	-1.8	1.3	2.7
1.3 Time Deposits with Banks	56,243.5	62,978.6	13.3	12.0	17.6	14.2
1.4 'Other' Deposits with Reserve Bank	28.2	14.7	-27.2	-47.8	-80.0	-44.6
2 Sources (2.1+2.2+2.3+2.4-2.5)						
2.1 Net Bank Credit to Government	23,716.1	26,577.2	16.3	12.1	25.5	15.2
2.1.1 Reserve Bank	5,357.4	5,851.2				
2.1.2 Other Banks	18,358.8	20,726.0	12.7	12.9	14.0	15.9
2.2 Bank Credit to Commercial Sector	49,605.3	54,355.2	10.8	9.6	16.8	15.7
2.2.1 Reserve Bank	39.6	30.6				
2.2.2 Other Banks	49,565.7	54,324.6	10.8	9.6	16.7	15.8
2.3 Net Foreign Exchange Assets of Banking Sector	15,437.8	16,082.0	6.7	4.2	7.7	8.2
2.4 Government's Currency Liabilities to the Public	134.4	147.2	3.4	9.5	5.4	11.9
2.5 Banking Sector's Net Non-Monetary Liabilities	15,316.2	16,157.6	17.4	5.5	32.3	22.6
2.5.1 Net Non-Monetary Liabilities of RBI	6,038.4	7,013.0	49.2	16.1	47.1	27.6

Reserve money (M<sub>0</sub>) during the financial year 2012-13 (up to January 25, 2013) showed an increase of 4.4 per cent as compared to 3.8 per cent in the corresponding period of the previous year. The year-on-year variation revealed an increase of 4.2 per cent (up to January 25, 2013) compared to 14.6 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 increased by 6.1 per cent (as on January 25, 2013) as compared to increase of 8.0 per cent in the same period last year. The y-o-y growth rate of NFA, showed an increase of 8.9 per cent as compared to an increase of 7.6 per cent on the corresponding date of the last year.

### Scheduled Commercial Banks (SCBs): Business in India

During the current financial year 2012-13 (up to January 25, 2013), Bank credit showed increase of 9.5 per cent, as compared to increase of 10.4 per cent as during the corresponding period last year. The y-o-y growth variation revealed an increase of 16.1 per cent as compared to 16.5 per cent during the same period in the previous year.

Non-Food credit during this period increased by 9.2 per cent (up to January 25, 2013) as compared to increase of 10.1 per cent during the corresponding period last year. The y-o-y growth variation revealed an increase of 15.9 per cent as compared to 16.2 per cent during the same period in the previous year.

The aggregate deposits with Scheduled Commercial Banks (SCBs) recorded an increase of 10.6 per cent (up to January 25, 2013) as compared to increase of 10.8 per cent during the corresponding period of last year. The y-o-y growth variation revealed an increase of 13.2 per cent as compared to 15.7 per cent in the previous year.

Items	2012-13		Financial year so far		Percentage Variation	
	Outstanding as on (Rs. in crore)		2011-12	2012-13	Year-on-year	
	March 23, 2012	January 25, 2013			2012	2013
Bank Credit	4611850	5051220	10.4	9.5	16.5	16.1
Non-Food credit	4530550	4945520	10.1	9.2	16.2	15.9
Aggregate deposits	5903659	6527120	10.8	10.6	15.7	13.2
Investments in Government. And other approved securities	1736638	1966360	12.5	13.2	14.1	16.4

Source: RBI

Item / Week Ended	2012	2013
	January 27	January 25
Cash Reserve Ratio (per cent) <sup>(1)</sup>	6.00	4.00*
Bank Rate	6.00	9.00
Repo Rate	8.50	8.00
Reverse Repo Rate	7.50	7.00
Prime Lending Rate <sup>(2)</sup>	10.00 / 10.75	9.75 / 10.50
Deposit Rate <sup>(3)</sup>	8.50 / 9.25	8.50 / 9.00
Call Money Rate (Low / High) <sup>(4)</sup>		
- Borrowings	8.97	8.00
- Lendings	8.97	8.00

\* Revised in 3<sup>rd</sup> Quarter Monetary Policy Review announced on Jan 2013 which is effective from 9<sup>th</sup> February, 2013  
<sup>(1)</sup> Cash Reserve Ratio relates to Scheduled Commercial Banks (excluding Regional Rural Banks). <sup>(2)</sup> Prime Lending Rate relates to five major Banks. <sup>(3)</sup> Deposit Rate relates to major Banks for deposits of more than one year maturity. <sup>(4)</sup> Data cover 90-95 per cent of total transactions reported by participants.  
Source: RBI.

**Interest rates (per cent per annum)**  
As on January 25, 2013, Bank Rate was 9.00 per cent as compared to 6.00 percent on the approximately corresponding date of last year. Call money rates (borrowing & lending) were 8.00 per cent as compared with 8.97 per cent on the approximately corresponding date of last year.

## EXTERNAL SECTOR

**Foreign trade:** During 2012-13 (April-December), imports stood at US\$ 361.3 billion, registering a negative growth of 0.7 per cent compared to 2011-12 (April-December), while exports were valued at US\$ 214.1 billion (declining by 5.5 per cent compared to the corresponding period of the previous year). Trade Deficit for 2012-13 (April-December) is estimated at US\$ 147.2 billion. Exports and imports, in US dollar terms increased by 0.8 per cent and 6.1 per cent respectively during January 2013 over January 2012. While oil imports increased by 6.9 per cent, non-oil imports increased by 5.7 per cent during January 2013 over January 2012.

Item	2010-11 (Apr-Mar)	2011-12 (Apr-Mar)	January		% Change in January 2013
			2012	2013	
Exports	251136	304624	25379	25587	0.8
Imports	369769	489181	42952	45583	6.1
Oil imports	105964	154906	14871	15899	6.9
Non-Oil imports	263805	334276	28081	29684	5.7
Trade balance	-118633	-184558	-17573	-19996	13.8

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

## Foreign Currency Assets

**Table 11: Foreign Currency Assets**

	Amount		Variation	
	₹ crore	US million	₹ crore	US\$ million
<b>At the end of</b>				
	<b>(over last year)</b>			
March, 2008	1196023	299230	359426	107306
March, 2009	1231340	241676	35317	-57554
March, 2010	1150778	254935	-80562	13259
March, 2011	1225999	274580	75221	19645
March, 2012	1333954	260742	107955	-13838
<b>2012-13</b>				
	<b>(over last month)</b>			
April 2012	1373463	261512	39509	770
May 2012	1432560	253910	59097	-7602
June 2012	1449281	257376	16721	3466
July 2012	1436343	257363	-12938	-13
August 2012	1439861	258410	3518	1047
September 2012	1374066	260748	-65795	2338
October 2012	1413232	261141	39166	393
November 2012	1422065	260803	8833	-338
<b>December 2012</b>	1437609	262446	15544	1643
<b>January 2013</b>	1398722	262478	-38887	32

Source: RBI.

**Exchange rate:** The rupee appreciated by 0.6 per cent against US dollar, 1.5 per cent against Pound sterling and 6.7 per cent against Japanese yen and depreciated by 0.6 per cent against Euro in the month of January 2013 over December 2012.

**Table 12 : Rupee per unit of foreign currency\***

	US dollar	Pound sterling	Japanese yen	Euro
March, 2009	51.2287	72.9041	0.5251	66.9207
March, 2010	45.4965	68.4360	0.5018	61.7653
March 2011	44.9684	72.7070	0.5498	62.9660
March, 2012	50.3213	79.6549	0.6103	66.4807
<b>2012-13</b>				
April 2012	51.8121	82.9120	0.6379	68.1872
May 2012**	54.4736	86.7323	0.6833	69.6991
June 2012	56.0302	87.1349	0.7067	70.3087
July 2012	55.4948	86.5173	0.7028	68.2520
August 2012	55.5594	87.3444	0.7068	68.8750
September 2012	54.6055	87.8663	0.6991	70.1263
October 2012	53.0239	85.2128	0.6723	68.7522
November 2012	54.7758	87.5374	0.6760	70.3665
<b>December 2012</b>	54.6478	88.1910	0.6528	71.6671
<b>January 2013</b>	54.3168	86.8899	0.6118	72.1286

\* FEDAI Indicative Market Rates (on Monthly average basis).

\*\* Data from May, 2012 onwards are based on RBI's reference rate.



**External assistance and debt service payments:** Gross external aid in April-January 2012-13 is ₹21091.1 crore as compared to ₹26479.7 crore during the corresponding period of the previous year. Net disbursement stood at ₹ 5293.6 crore in April-January 2012-13 as compared to ₹13454.6 crore in April-January 2011-12 while net transfers were ₹1655.8 crore in April-January 2012-13 as compared to ₹10399 crore in April-January 2011-12.

<b>Table 13: External Assistance and Debt Service Payments</b>				
(Rs. In Crores)				
	<b>JANUARY 2013</b>	<b>During the Financial year 2012-2013</b>	<b>JANUARY 2012</b>	<b>During the Financial year 2011-2012</b>
<b>External Assistance (Government Account)</b>				
1) Gross Disbursement	1,223.08	14,267.82	935.97	18,696.67
2) Repayments	1,399.84	13,600.74	1,390.38	11,357.63
3) Interest Payments	328.86	3,160.88	323.48	2,691.58
4) Net Disbursement (1-2)	-176.76	667.08	-454.41	7,339.04
5) Net Transfers (4-3)	-505.62	-2,493.80	-777.89	4,647.46
<b>External Assistance (Non-Government Account)</b>				
1) Gross Disbursement	99.56	4,924.86	463.91	5,118.18
2) Repayments	116.51	2,196.82	123.74	1,667.47
3) Interest Payments	42.08	476.90	35.06	356.90
4) Net Disbursement (1-2)	-16.95	2,728.04	340.17	3,450.71
5) Net Transfers (4-3)	-59.03	2,251.14	305.11	3,093.81
<b>Government Grants</b>				
1) Gross Disbursement	51.35	1,722.71	168.85	2,602.32
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)	51.35	1,722.71	168.85	2,602.32
5) Net Transfers (4-3)	51.35	1,722.71	168.85	2,602.32
<b>Non Government Grants</b>				
1) Gross Disbursement	0.00	175.75	4.68	62.52
2) Repayments	0.00	0.00	0.00	0.00
3) Interest Payments	0.00	0.00	0.00	7.09
4) Net Disbursement (1-2)	0.00	175.75	4.68	62.52
5) Net Transfers (4-3)	0.00	175.75	4.68	55.43
<b>Grand Total</b>				
1) Gross Disbursements	1,373.99	21,091.14	1,573.41	26,479.69
2) Repayments	1,516.35	15,797.56	1,514.12	13,025.10
3) Interest Payments	370.94	3,637.78	358.54	3,055.57
4) Net Disbursement (1-2)	-142.36	5,293.58	59.29	13,454.59
5) Net Transfers (4-3)	-513.30	1,655.80	-299.25	10,399.02

## INFLATION

**Wholesale Price Index (WPI 2004-05=100):** The WPI inflation for the month of January 2013 is reported at 6.62 per cent, as against 7.18 percent in the previous month, and 7.23 per cent in the corresponding month last year. The inflation has declined mainly on account of manufactured products (sugar, edible oils, metals and chemicals) and fuel (non-administered mineral oils). Inflation for Primary Food Articles (Wt 14.34 %) increased to 11.88 per cent in January 2013 from 11.16 per cent in the last month mainly on account of cereals, pulses, milk, and tea. Inflation for fuel & power (Wt. 14.91%) declined to 7.06 per cent in January 2013 from 9.38 per cent in December 2012. The average WPI inflation rate for last 12 months (Feb 2012 to Jan 2013) was 7.48 per cent as compared to 9.28 per cent during corresponding period in 2011-12. The build-up of inflation since March stood at 5.09 per cent as against 6.15 per cent in the corresponding period last year. WPI inflation rates for major subgroups are indicated in Table 14 below.

Major groups	Weight (%)	Cumulative change (%) Since March		Inflation (%)		Inflation (%) (Average of 12 months)	
		2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
<b>ALL COMMODITIES</b>	<b>100.00</b>	5.09	6.15	6.62	7.23	7.48	9.28
PRIMARY ARTICLES	20.12	6.54	6.64	10.31	2.76	9.70	10.73
<i>Food articles</i>	14.34	8.47	6.76	11.88	-0.68	9.56	7.61
FUEL AND POWER	14.91	6.58	12.31	7.06	16.99	10.83	13.72
MANUFACTURED PDT.	64.97	4.00	4.35	4.81	6.71	5.56	7.50

**Inflation based on Consumer Price Indices (CPIs):** The all India CPI inflation (combined) has increased to 10.79 per cent in January 2013 from 10.56 per cent in the December 2012. The inflation remained elevated for vegetables, cereals, pulses, oils & fats, meat & fish and sugar in the current month. Inflation based on CPI-IW increased to 11.17 per cent in December 2012 from 9.55 per cent in November 2012. CPI-IW food inflation in December 2012 increased to 13.53 per cent from 10.85 per cent in November 2012. Inflation for CPI-AL and CPI-RL was 11.33 per cent and 11.31 per cent respectively in December 2012 as against 10.31 per cent and 10.47 per cent in last month.

	WPI	CPI-IW	CPI-AL	CPI-RL	CPI(NS)
<b>Base :-&gt;</b>	2004-05	2001	1986-87	1986-87	2010
Jan-12	7.23	5.32	4.92	5.27	7.65
Feb-12	7.56	7.57	6.34	6.68	8.83
Mar-12	7.69	8.65	6.84	7.19	9.38
Apr-12	7.50	10.22	7.84	8.01	10.26
May-12	7.55	10.16	7.77	8.11	10.36
Jun-12	7.58	10.05	8.03	8.54	9.93
Jul-12	7.52	9.84	8.61	8.94	9.86
Aug-12	8.01	10.31	9.18	9.34	10.03
Sep-12	8.07	9.14	9.43	9.93	9.73
Oct-12	7.32	9.60	9.85	9.84	9.75
Nov-12	7.24	9.55	10.31	10.47	9.90
Dec-12	<b>7.18</b>	11.17	11.33	11.31	10.56
Jan-13	<b>6.62</b>	-	-	-	<b>10.79</b>

Note: WPI inflation for Dec 2012 and Jan 2013, CPI (New Series) inflation for Jan 2013 is provisional.

**Table 16: World Commodity Price Data**

Commodity	Unit	Annual averages			Monthly averages		
		Jan-Dec	Jan-Dec	Jan- Dec	Nov	Dec	Jan
		2010	2011	2012	2012	2012	2013
Coal, Australia	\$/mt	99.0	121.5	96.4	85.9	92.9	92.8
Crude oil, average	\$/bbl	79.0	104.0	105.1	101.2	101.2	105.1
Natural gas, US	\$/mmbtu	4.4	5.1	2.8	3.5	3.3	3.3
Cocoa	¢/kg	313.3	298.0	239.2	247.8	241.0	227.5
Coffee, Robusta	¢/kg	173.6	240.8	226.7	215.3	212.9	219.8
Tea, auctions (3) avg.	¢/kg	288.5	292.1	289.8	301.7	308.3	301.6
Coconut oil	\$/mt	1124	1730	1111	848	785	829
Groundnut oil	\$/mt	1404	1988	n.a	2303	2216	2100
Palm oil	\$/mt	901.0	1125.0	999.3	813.0	776.0	841.0
Palm kernel oil	\$/mt	1184	1648	1110	815	762	795
Soybean meal	\$/mt	378.0	398.0	524.1	579.0	580.0	538.0
Soybean oil	\$/mt	1005	1299	1226	1135	1163	1190
Soybeans	\$/mt	450.0	541.0	591.4	589.0	607.0	592.0
Maize	\$/mt	185.9	291.7	298.4	321.6	308.6	303.1
Rice, Thailand, 5%	\$/mt	488.9	543.0	562.9	559.3	557.8	564.2
Wheat, US, HRW	\$/mt	223.6	316.3	313.2	360.8	348.0	335.5
Bananas, US	\$/mt	868.0	968.0	984.0	933.5	943.9	928.7
Oranges	\$/mt	1033	891	868	847	758	739
Fishmeal	\$/mt	1688	1537	1558	1812	1880	1919
Meat, chicken	¢/kg	189.2	192.6	207.9	213.0	215.3	218.5
Meat, beef	¢/kg	335.1	404.2	414.2	424.7	431.6	430.7
Sugar, world	¢/kg	46.9	57.3	47.5	42.6	42.6	41.6
Plywood	¢/sheets	569.1	607.5	610.3	611.5	612.9	612.9
Cotton A Index	¢/kg	228.3	332.9	196.7	178.3	183.8	188.5
Rubber, TSR20	¢/kg	338.1	451.9	315.6	280.0	289.6	304.3
DAP	\$/mt	500.7	618.9	539.8	524.8	499.0	485.0
Urea	\$/mt	288.6	421.0	405.4	374.2	378.8	393.4
Copper	\$/mt	7535	8828	7962	7711	7966	8047
Lead	¢/kg	214.8	240.1	206.5	218.2	228.0	233.4
Tin	¢/kg	2041	2605	2113	2071	2288	2455
Nickel	\$/mt	21809	22910	17548	16335	17449	17473
Zinc	¢/kg	216.1	219.4	195.0	191.2	204.0	203.2
Gold	\$/toz	1225	1569	1670	1722	1685	1672
Silver	¢/toz	2015	3522	3114	3277	3187	3106
Iron ore	\$/dmt	145.9	167.8	128.5	120.4	128.5	150.8

Source: World Bank – The Pink Sheet

## Public Finance

As a proportion of budget estimate, fiscal deficit during April–December 2012 was 78.8 per cent and revenue deficit was 85.1 per cent.

**Table 17: Trends in Central Government Finances during 2012-13 (April-December)**

	Budget Estimates	April -December		Col.3 as per cent of	Col.4 as per cent of	Per cent change over preceding year	
	2012-13	2011-12	2012-13	2011-12 BE	2012-13 BE	2011-12	2012-13 (4/3)
( ₹Crore)							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.Revenue Receipts	935685	498491	570536	63.1	61.0	-14.7	14.5
Gross tax revenue*	1077612	592347	681345	63.5	63.2	12.2	15.0
Tax (net to Centre)	771071	420414	484156	63.3	62.8	7.5	15.2
Non Tax	164614	78077	86380	62.2	52.5	-59.6	10.6
2.Capital Receipts	555241	397870	420587	85.0	75.7	96.4	5.7
of which							
Recovery of loans	11650	14115	7710	94.0	66.2	64.3	-45.4
Other Receipts	30000	2743	8178	6.9	27.3	-87.9	198.1
Borrowings and other liabilities	513590	381012	404699	92.3	78.8	122.5	6.2
3.Total Receipts (1+2)	1490925	896361	991123	71.3	66.5	13.9	10.6
4.Non-Plan Expenditure (a)+(b)	969900	619457	695233	75.9	71.7	15.4	12.2
(a) Revenue Account	865596	550692	625598	75.1	72.3	12.9	13.6
of which:							
Interest payments	319759	179429	201959	67.0	63.2	22.6	12.6
Major Subsidies	179554	104181	166824	77.6	92.9	10.5	60.1
Pensions	63183	40454	44839	74.2	71.0	0.6	10.8
(b) Capital Account	104304	68765	69635	83.2	66.8	39.7	1.3
5.Plan Expenditure (i)+(ii)	521025	276904	295890	62.7	56.8	10.8	6.9
(i) Revenue Account	420513	233903	242975	64.3	57.8	9.9	3.9
(ii) Capital Account	100512	43001	52915	55.2	52.6	16.0	23.1
6.Total Expenditure (4)+(5)=(a)+(b)	1490925	896361	991123	71.3	66.5	13.9	10.6
(a)Revenue Expenditure	1286109	784595	868573	71.5	67.5	12.0	10.7
(b)Of which Grants for creation of Capital Assets	164672	84149	74283	57.3	45.1	138.0	-11.7
(c)Capital Expenditure	204816	111766	122550	69.6	59.8	29.5	9.6
7.Revenue Deficit	350424	286104	298037	93.1	85.1	146.0	4.2
8.Effective Revenue Deficit (7-6(b))	185752	201955	223754	125.9	120.5	149.5	10.8
9.Fiscal Deficit	513590	381012	404699	92.3	78.8	122.5	6.2
10.Primary Deficit	193831	201583	202740	139.2	104.6	708.1	0.6

Source: Review of Union Government Accounts, December 2012. \* Gross Tax Revenue is prior to devolution to the States.