

#### 4.1 SOURCES OF CHANGE IN MONEY STOCK (M<sub>3</sub>)

(Rs. crore)

	Outstanding as on March 31, 2004	Variations during				2006 Outstand- ing as on Dec 22
		2004-05 March 31 to March 31	2005-06 March 31 to March 31	2005-06 April 1 to Dec. 23	2006-07 March 31 to Dec. 22	
1	2	3	4	5	6	7
I. M <sub>1</sub> (Narrow Money) (Iiii+Iliii+Iliiv)	578716	68779	177750	55187	40292	865538
II. M <sub>3</sub> (Broad Money) (i+ii+iii+iv)	2005676	245773	478086	195009	289087	3018622
(i) Currency with the public	314971	40892	57280	39781	48662	461805
(ii) Demand deposits with banks	258626	26528	120069	17256	-6844	398380
(iii) Time deposits with banks	1426960	176994	300336	139823	248795	2153085
(iv) Other deposits with RBI	5119	1359	401	-1851	-1526	5353
III. Sources of change in Money Stock (M <sub>3</sub> ) (1+2+3+4-5)						
1. Net bank credit to Government (A+B)	742904	13863	12326	6660	20264	789356
A) RBI's net credit to Government (i+ii)	44907	-62882	26111	13591	-9875	-1738
i) Central Government	36920	-60177	28417	14118	-6913	-1753
ii) State Governments	7988	-2705	-2306	-526	-2961	15
B) Other bank's credit to Government	697996	76745	-13785	-6931	30139	791095
2. Bank credit to commercial sector (A+B)	1016151	264098	410712	190678	236849	1927810
A) RBI's credit to commercial sector	2061	-672	-3	132	128	1515
B) Other banks' credit to commercial sector	1014089	264770	410715	190546	236721	1926295
3. Net foreign exchange assets of banking sector	526586	122669	76939	39738	105533	831727
4. Government's currency liabilities to the public	7296	152	1306	1193	-700	8054
5. Banking sector's net non-monetary liabilities other than time deposits	287261	155008	23197	43260	72859	538326

Note : 1. Data are provisional.

2. RBI data relate to end March after closure of Government accounts.

3. Variations in respect of scheduled commercial banks (SCBs) are based on data for last reporting Friday of March.

4. For limitations of March 31 data (1989 onwards), see the text in chapter 8 of the Economic Survey, 1990-91.

5. Data reflect redemption of India Millennium Deposits (IMDs), since December 29, 2005.

6. Monetary data are revised in line with the new accounting standards and consistent with the methodology suggested by the Working Group on Money Supply : Analytics and Methodology of Compilation (June 1998). The revision is in respect of pension and provident funds with commercial banks which are classified as other demand and time liabilities and includes those banks which have reported such changes so far.

Source: Reserve Bank of India.