

**PART B**  
**CAPITAL RECEIPTS**

**ESTIMATES OF CAPITAL RECEIPTS**

The Statement below summarizes by broad categories the estimates of capital receipts - both non-debt and debt receipts. Further, details together with brief notes explaining the variations between Budget Estimates and Revised Estimates for 2008-09 and between Revised Estimates for 2008-09 and Budget Estimates for 2009-10 are given in the notes following the statement. The borrowings and other debt included in the statement are net of repayments.

(in crore of Rupees)

	Budget 2008-09	Revised 2008-09	Budget 2009-10
<b>A. Non-debt Receipts</b>			
1 Recoveries of loans & advances	4497.51	9698.29	4224.89
2 Miscellaneous capital receipts	10165.00	2566.51	1120.00
<b>B. Debt Receipts</b>			
3 Market Loans	100571.00	261972.00	397957.46
4 Short term borrowings	12429.00	57500.00	0.00
5 External Loan (Net)	10989.27	9603.20	16046.57
6 Securities issued against Small Savings	9872.52	1323.45	13255.52
7 State Provident Funds (Net)	4800.00	4800.00	5000.00
8 Other Receipts (Net)	(-) 12600.22	(-) 38667.57	(-) 31263.82
<b>C. Total Capital Receipts</b>	<b>140724.08</b>	<b>308795.88</b>	<b>406340.62</b>
9 Draw-down of Cash Balance	7224.34	29984.00	...
<b>D. Debt receipts to finance Fiscal Deficit</b>	<b>133285.91</b>	<b>326515.08</b>	<b>400995.73</b>
<b>E. Receipts under MSS (Net)</b>	<b>29806.00</b>	<b>(-) 81780.99</b>	<b>(-) 38772.78</b>

**1. RECOVERIES OF LOANS & ADVANCES**

The estimates of recoveries of loans and advances made by the Central Government to the State Governments, Union Territories (with Legislature) and others which include Foreign Governments and PSEs/Statutory bodies, etc. are as follows:

(in crore of Rupees)

	Budget 2008-09	Revised 2008-09	Budget 2009-10
<i>Recoveries from:</i>			
(i) State Governments	2563.20	8125.68	2549.21
(ii) Union Territories (with Legislature)	102.94	111.48	111.49
(iii) Others	1831.37	1461.13	1564.19
(a) Foreign Governments	97.63	252.20	257.55
(b) Public Sector Enterprises, statutory bodies, etc	1733.74	1208.93	1306.64
<b>TOTAL- Recoveries of Loans and Advances</b>	<b>4497.51</b>	<b>9698.29</b>	<b>4224.89</b>
(a) The recoveries from State Governments exclude short-term ways and means advances	1000.00	1000.00	1000.00
(b) The recoveries from others exclude recoveries from Government servants, etc. which are netted in the Expenditure Budget	495.00	495.00	495.00

(i) **Recoveries from State Governments:** Receipts from State Governments are estimated at Rs. 8125.68 crore in RE 2008-09 and at Rs. 2549.21 crore in BE 2009-10. The receipts in RE 2008-09 include waiver of loans to State Governments which are matched by equivalent expenditure.

(ii) **Recoveries from Union Territories (with Legislature):** The recoveries are in respect of loans advanced to the Union Territory of Puducherry and NCT of Delhi.

(iii) **Repayments by Others:** These include loan repayments by parties other than State and Union Territory Governments, viz. foreign Governments, industrial and commercial enterprises and financial institutions in the public sector, municipalities, port trusts, private sector companies and institutions, cooperatives, etc. The broad details are:-

(in crore of Rupees)

	Budget 2008-09	Revised 2008-09	Budget 2009-10
(a) Foreign Governments	97.63	252.20	257.55
(b) Public Sector Enterprises, statutory bodies, etc.	1733.74	1208.93	1306.64
<b>Total</b>	<b>1831.37</b>	<b>1461.13</b>	<b>1564.19</b>

## 2. MISCELLANEOUS CAPITAL RECEIPTS

In RE 2008-09 disinvestment proceeds of Rs.1165 crore on account of disinvestment of govt. equity in CPSEs have been estimated. This includes small portion of equity in Rural Electrification Corporation (REC), and National Hydroelectric Power Corporation (NHPC). Provision for transfer of the same amount to National Investment Fund has been made in the Demand No. 44 pertaining to Department of Disinvestment. Government has constituted a "National Investment Fund" (NIF) in the Public Account of India into which the proceeds from disinvestment of Government equity in select CPSEs would be channelized. The NIF funds would be professionally managed by investments in selected Public Sector Mutual Funds to provide sustainable returns without depleting the corpus. The transactions have been so accounted as to make these deficit-neutral. SUUTI receipt in RE 2008-09 has been estimated at Rs.899 crores.

Other than this, receipts of Rs.502.51 crore have been assumed on account of bonus shares issued by GAIL (Rs. 242.47 crore) and NMDC (Rs. 260.04 Crore) in RE 2008-09.

In BE 2009-10 disinvestment proceeds have been estimated at Rs.1120 crore which includes disinvestment of a small portion of equity in Rail India Technical and Economic Services (RITES), Cochin Ship Yard Ltd., Telecommunications Consultants India Ltd., Manganese Core India Ltd., Rashtriya Ispat Nigam Ltd., and Satluj Jal Vidyut Nigam Ltd. Provision for transfer of the same amount to National Investment Fund has been made in the Demand No. 44 pertaining to Department of Disinvestment.

## 3. MARKET LOANS

Government of India raises its market loans under the scheme of Sale of Dated Government Securities by Auction started in 1992-93. These auctions are conducted by the Reserve Bank of India, as debt manager to the Central Government. This Scheme marked a departure from the practice followed earlier in raising market loans by issuing securities/bonds at specified interest rates. Under the scheme, apart from Fixed Coupon Securities, Government has also issued Floating Rate Bonds (FRB) on which the coupon rate, payable semi annually, are reset annually by adding a 'spread', determined in the auction, on the variable base rate calculated as the average of the implicit yields at cut off prices of 364 days Treasury Bills in the three preceding auctions; Zero Coupon Bonds which do not carry any coupon but are sold at a discount; Capital Indexed Bonds, which provides inflation-indexation to the principal amount. Since 2002-03, Central Government has been announcing half-yearly Indicative Market Borrowing Calendar based on its core borrowing requirements.

The Revised Estimate of net market borrowing of Central Government through issue of dated securities is Rs.261972 crore. Taking into account the repayments amounting to Rs.44028.22 crore, RE of gross market borrowing is fixed at Rs.306000.22 crore.

The net market borrowing of the Central Government through issue of dated securities in 2009-10 is estimated to be Rs. 397957.46 crore. Gross market borrowing in BE 2009-10 is placed at Rs.451093.25 crore, taking into account scheduled repayment of Rs.53135.79 crore. For details of repayments in 2009-10 see next paragraph.

### BUDGET ESTIMATES 2009-2010

The following market loans with outstanding balance indicated against each are due for discharge in 2009-10:

(in crore of Rupees)

1. 6.65% Government Stock, 2009	8886.80
2. 11.99% Government Stock, 2009	13500.00
3. 11.50% Loan, 2009	4504.74
4. 7 % Loan, 2009	1197.44
5. Government of India Floating Rate Bonds, 2009	3000.00

6.	12.29% Government Stock, 2010	11500.00
7.	6.72% Government Stock 2007/2012 *	546.81
	<b>Total</b>	<b>43135.79</b>
<i>Add:</i>		
#8.	5.48% Govt. Stock, 2009	5000.00
#9.	5.87% Govt. Stock, 2009	5000.00
	<b>Grand Total</b>	<b>53135.79</b>

\* The redemption for 2008-09 also includes Rs. 546.81 crore in respect of 6.72% GS 2007/2012 (the bond with call and put option became exercisable from the year 2007). Rs 2453.19 crore have already been paid in the year 2007-08, in terms of the put option exercised by the investor.

# Special Securities converted into Marketable Securities.

The following dated securities issued under the Market Stabilisation Scheme (MSS) are also due for discharge in 2009-10, the expenditure for which would be met out of the separate MSS cash balance held with RBI:

		(in crore of Rupees)
1.	6.65% Government Stock, 2009	16000.00
2.	5.48% Government Stock, 2009	17000.00
3.	5.87% Government Stock, 2010	11035.78
	<b>Grand Total</b>	<b>44035.78</b>

The Memorandum of Understanding (MoU) relating to MSS has been amended to enable, on mutual agreement between the Government of India and the Reserve Bank of India, the transfer of a part of the amount in the MSS cash account to the normal cash account as part of the Government's market borrowing programme for meeting Government's approved expenditure. An equivalent amount of Government securities issued under the MSS would form part of the normal market borrowing of the Government of India.

Following this amendment, Rs.45000 crore will be transferred in installments from the MSS cash account to the normal cash account of the Government of India during 2008-09 and 2009-10.

#### CONVERSION OF SPECIAL SECURITIES / RECAPITALISATION BONDS

Government of India has completed the conversion of special securities issued in lieu of ad hoc treasury bills into marketable securities during the year 2003-04. Details of the marketable securities issued in conversion are given in Annex. 4A.

Government of India has also completed the conversion of Recapitalization Bonds with the Nationalized Banks into SLR marketable securities during the years 2007-08 (vide details in Annex 4B).

#### 4. SHORT TERM BORROWINGS (364/182/91 DAYS TREASURY BILLS):

The treasury bills offer short-term investment opportunity to financial institutions, banks, etc. Primarily, these are issued under the normal auction programme of the Government and also provide an option for non-competitive bids. The notified amount for fortnightly auction of 364 day Treasury Bills has been Rs.1000 crore since 2002-03; 91 day Treasury Bills weekly auction amount has been Rs.500 crore since 2003-04 and notified fortnightly auction amount for 182 day Treasury Bills has been Rs.500 crore since introduction in Financial Year 2005-06.

Central Government also issues 14 day Intermediate Treasury Bills for deployment of short term cash surpluses by State Governments. During 2008-09 investments in 14 day Treasury Bills have continued to be high on account of persistence of large surplus cash balance of State Governments.

The Revised Estimates of net short-term borrowings in 2008-09 is Rs. 57500 crore. No net receipt is assumed on this account in BE 2009-10

#### 5. EXTERNAL LOAN

Budget 2009-10 assumes a gross receipt of Rs. 27080.41 crore and repayment of Rs. 11033.84 crore, resulting in net external loan of Rs. 16046.57 crore.

The net receipt from external loan is placed at Rs. 9603.20 crore in RE 2008-09.

A summary of estimates of receipts of external loan and repayment of the principal in 2008-09 and in 2009-10 is given below:

	Budget 2008-09	Revised 2008-09	Budget 2009-10
<b>A. Gross Receipts</b>	<b>19209.93</b>	<b>19578.35</b>	<b>27080.41</b>
<b>B. Repayments</b>	<b>(-) 8220.66</b>	<b>(-) 9975.15</b>	<b>(-) 11033.84</b>
<b>C. Net receipts</b>	<b>10989.27</b>	<b>9603.20</b>	<b>16046.57</b>

Further details are given in Annex 2 to this document.

**6. (I) NATIONAL SMALL SAVINGS FUND****Small Savings Schemes:**

The small savings schemes currently in force are: Post Office Savings Account, Post Office Time Deposits (1, 2, 3 & 5 years), Post Office Recurring Deposit, Post Office Monthly Income Account, Senior Citizens Savings Scheme, National Savings Certificate (VIII-Issue), Kisan Vikas Patra and Public Provident Fund.

In order to make the small savings schemes more attractive and investor friendly, the Government has made the following amendments in these schemes in recent times:

- i) Operation of accounts allowed directly or through a literate agent by blind or otherwise physically handicapped adult under Post Office Savings Account Rules and Post Office Time Deposit Account Rules with effect from 26th June, 2008.
- ii) Opening of "Zero Deposit/Zero Balance" accounts for the workers employed under NREG Act, under Post Office Savings Account Rules, with effect from 26th August, 2008.
- iii) Number of defaults for revival of accounts increased from 4 to 7 for Defence Services Personnel under Post Office Recurring Deposit Scheme, with effect from 26th June, 2008.

**National Small Savings Fund:**

All deposits under small savings schemes are credited to the "National Small Savings Fund" (NSSF), established in the Public Account of India with effect from 1.4.1999. All withdrawals by the depositors are made out of the accumulations in this Fund. The balance in the Fund is invested in special Government securities as per norms decided from time to time by the Central Government. The liability of outstanding balances under various small savings schemes at the close of 31st March, 1999 was borne by the Central Government by treating the same as investment of NSSF in special Central Government securities. A share of net small savings collections was also invested in special Central Government securities during 1999-2000 to 2001-02. States share of net collections (deposits minus withdrawals by the subscribers) under small savings schemes in each State and Union Territory (with legislature) is advanced to the concerned State/ Union Territory Government as investment in its special securities and the balance, if any, invested in special Central Government securities. The sums received in NSSF on redemption of special securities are reinvested in special Central Government securities and with effect from 2007-08, the redemption values are also proposed to be invested in other instruments. An enabling provision has already been made through suitable amendment to the National Small Savings Fund (Custody & Investment) Rules, 2001. Accordingly, a sum of rupees 1500 crore has been given as loan investment @ 9% per annum (payable annually), to India Infrastructure Finance Company Limited (IIFCL) in 2007-08 for financing infrastructure development projects/schemes, which is repayable by IIFCL in lump sum after a period of 15 years.

The debt servicing of Government securities is an income of the Fund while the cost of the interest paid to the subscribers and cost of management of small savings schemes are expenditure of the Fund.

The special Central Government securities issued to NSSF constitute a part of the internal debt of the Government of India.

Interest at the rate of 9.50 per cent per annum continues to be payable on the special securities issued by State Governments since 1st April, 2003.

**Sources and Application :**

- (i) The Sources and Application of National Small Savings Fund are shown in the Table-I hereunder.
- (ii) The details about various components of National Small Savings Fund (viz: Receipts, Disbursements, Investments, Income and Expenditure of NSSF) containing 'Actuals' for 2007-08, BE & RE 2008-09 and BE 2009-10 are tabulated in **Annex - 8**.

**Table-I****SOURCES AND APPLICATION OF NATIONAL SMALL SAVINGS FUND***(In Crore of Rupees)*

Particulars	Actuals 2007-2008	RE 2008-2009	BE 2009-10
<b>A. SOURCES OF FUNDS</b>			
<b>DEPOSITS UNDER SMALL SAVINGS SCHEMES :</b>			
<b>SAVINGS DEPOSITS</b>			
Liabilities outstanding as on 1st April	347611.58	337819.50	345019.50
Accretion to liabilities during the year	-9792.08	7200.00	12400.00
<b>SAVINGS CERTIFICATES</b>			
Liabilities outstanding as on 1st April	212702.96	208893.85	212093.85
Accretion to liabilities during the year	-3809.11	3200.00	4100.00

(In Crore of Rupees)

Particulars	Actuals 2007-2008	RE 2008-2009	BE 2009-10
<b>PUBLIC PROVIDENT FUND</b>			
Liabilities outstanding as on 1st April	114296.60	126875.22	132975.22
Accretion to liabilities during the year	12578.62	6100.00	8500.00
<b>TOTAL DEPOSITS</b>	<b>673588.57</b>	<b>690088.57</b>	<b>715088.57</b>
<b>B. APPLICATION OF FUNDS :</b>			
<b>(i) Investment in Central Government Special Securities against outstanding balance as on 31.3.1999</b>			
Investment as on 1st April	83569.19	73569.19	66195.12
<b>Less:</b> Redemption of securities during the year	-10000.00	-7374.07	...
<b>(ii) Investment in Central Government Special Securities against collections from 1.4.1999</b>			
Investment as on 1st April	24735.99	23433.51	22131.03
Additional investment during the year	...	...	2500.00
<b>Less:</b> Redemption of securities during the year	-1302.48	-1302.48	-1302.48
<b>(iii) Investment in Special State Government Securities against collections from 1.4.1999</b>			
Investment as on 1st April	452063.88	457391.92	460518.85
Additional investment during the year	12193.76	10500.00	22500.00
<b>Less:</b> Redemption of securities during the year	-6865.72	-7373.07	-10756.16
<b>(iv) Re-investment in Central Government Special Securities out of the sums received on redemption of securities</b>			
Investment as on 1st April	98296.34	98296.34	108296.34
Additional investment during the year	...	10000.00	12058.00
<b>Less:</b> Redemption of securities during the year	...	...	...
<b>(v) 15 Year, 9% Loan (2023) to India Infrastructure Finance Company Limited</b>			
Opening Balance as on 1st April	...	1500.00	1500.00
Additions during the year	1500.00	...	...
<b>Less:</b> Repayments during the year	...	...	...
<b>TOTAL INVESTMENTS</b>	<b>654190.96</b>	<b>658641.34</b>	<b>683640.70</b>
Accumulated balance Income(-)/Expenditure(+) Account	29763.62	30607.60	30711.06
Cash Balance	-10366.01	839.63	736.81
<b>TOTAL</b>	<b>673588.57</b>	<b>690088.57</b>	<b>715088.57</b>

**(II) DEPOSIT SCHEMES FOR RETIRING EMPLOYEES**

Two non-statutory deposit schemes for retired / retiring employees, namely: Deposit Scheme for Retiring Government Employees and Deposit Scheme for Retiring Employees of Public Sector Companies were also being run by the Central Government. Fresh deposits under both these schemes have been stopped with effect from the 10th July, 2004. Also, no interest accrues on the deposits in the existing accounts, on completion of the maturity period of three years, on or after the 13th September, 2004. Budgetary Estimates of collections under these schemes are shown in Table-II below.

**Table II**

(In Crore of Rupees)

	Actuals 2007-2008	RE 2008-2009	BE 2009-10
GROSS	0	7	7
NET@	(-) 270	(-) 85	(-) 65

@ Minus net collection means withdrawal of deposits by investors, there being no fresh deposits, due to closure of the schemes

**7. OTHER RECEIPTS**

(i) **8% Savings (Taxable) Bonds, 2003** were introduced w.e.f. 21st April, 2003 to enable resident citizens/charitable institutions/Universities etc. to invest their savings in taxable bonds without any monetary ceilings. The bonds will have maturity of six years carrying interest at 8 percent per annum payable half yearly. Both cumulative and non-cumulative options are available. The bonds are not transferable. They are also not tradable in the secondary market. However, from August 19, 2008, they are eligible as collateral security for loans from scheduled banks.

(ii) **6.5% Savings (Non-taxable) Bonds, 2003** were introduced with effect from 24th March, 2003 to enable resident citizens to invest their savings in tax-free bonds without any monetary ceilings. The Scheme has been discontinued with effect from close of business on July 9, 2004. These Saving Bonds are due for redemption and started maturing for repayment w. e. f. March 24, 2008

Government has also notified that post maturity interest on all series of Relief Bonds shall cease with effect from March 1, 2003.

**(iii) Railway Reserve Funds:***(in Crore of Rupees)*

	Budget 2008-09	Revised 2008-09	Budget 2009-10
<b>Railway Pension Fund</b>			
Cr.	9855.07	10678.23	13641.01
Dr.	9600.00	12500.00	14000.00
Net	(+) 255.07	(-) 1821.77	(-) 358.99
<b>Railway Depreciation Reserve Fund</b>			
Cr.	7291.39	7372.20	5575.20
Dr.	8500.00	8033.00	7800.00
Net	(-) 1208.61	(-) 660.80	(-) 2224.80
<b>Railway Development Fund</b>			
Cr.	1148.81	1635.12	2138.29
Dr.	2840.00	2910.00	3315.00
Net	(-) 1691.19	(-) 1274.88	(-) 1176.71
<b>Railway Capital Fund</b>			
Cr.	11591.83	5565.89	957.55
Dr.	9200.00	7956.00	4000.00
Net	(+) 2391.83	(-) 2390.11	(-) 3042.45
<b>Railway Safety Fund</b>			
Cr.	776.47	776.47	960.93
Dr.	1300.00	1299.00	1458.36
Net	(-) 523.53	(-) 522.53	(-) 497.43
<b>TOTAL</b>	<b>(-) 776.43</b>	<b>(-) 6670.09</b>	<b>(-) 7300.38</b>

(a) *Railway Pension Fund*: is intended to meet the pensionary charges of Railway employees. Suitable amounts are transferred annually to the Fund by debit to revenue and capital expenditure heads. The pensionary charges are initially met as part of revenue head and later recouped from the Fund. Credit to the Fund during the year 2008-09 is estimated at Rs.10678.23 crore, including Rs.78.23 crore by way of interest payable by the General Revenues on the balance in the Fund. The withdrawal is estimated at Rs.12500 crore. During 2009-10 credit is estimated at Rs.13641.01 crore, including Rs.91.01 crore on account of interest. As against this, the withdrawal is estimated at Rs.14000 crore.

(b) *Railway Depreciation Reserve Fund*: provides for replacement and renewal of assets including the improvement element. Contribution to the Fund is estimated at Rs.7372.20 crore in 2008-09, which is inclusive of Rs.272.20 crore of interest payable by General Revenues on the balance in the Fund. The outgo from the Fund has been estimated at Rs.8033.00 crore in 2008-09. For 2009-10, credit is estimated at Rs.5575.20 crore including Rs.150.20 crore on account of interest. Withdrawal is estimated at Rs.7800.00 crore.

(c) *Railway Development Fund*: This Fund, set up in 1950, is used for meeting expenditure on passengers and users' amenities, labour welfare works, un-remunerative operating improvements and safety works. The Fund is financed by appropriation of such portion of the Railway excess, if any, as may be fixed by the Government and voted by Parliament. If the accumulated balance in the

Fund, after transfer from the railway excess to it, is not enough to meet the expenditure to be financed from the Fund, interest-bearing loans are taken from the General Revenues for credit to the Fund. During 2008-09, the credit to the Railway Development Fund has been estimated at Rs.1635.12 crore comprising Rs.1391.00 crore out of the anticipated excess and Rs.244.12 crore being the interest payable by the General Revenues on the balance in the Fund. Withdrawal from the Fund during 2008-09 has been estimated at Rs.2910.00 crore. Credit to the Fund during 2009-10 is placed at Rs.2138.29 crore including Rs.138.29 crore on account of interest. The withdrawal during 2009-10 is estimated at Rs. 3315.00 crore for works chargeable to the Fund.

(d) *Railway Capital Fund* was created in 1992-93 to enable the Railways to utilise a part of the internally generated resources for building up the infrastructure of the Railways. In case of shortfall of Railway revenues in financing the Capital Fund, interest bearing loan is taken from the General Revenues for credit to the Fund. Credit to the Fund in 2008-09 is estimated at Rs.5565.89 crore including Rs. 601.33 crore on account of interest whereas the outgo from the Fund has been estimated at Rs. 7956.00 crore. In 2009-10, this Fund will be credited with Rs. 957.55 crore including Rs. 315.29 crore of interest payable on the balance in the Fund whereas withdrawal is estimated at Rs. 4000.00 crore.

(e) *Railway Safety Fund*: has been created from 1.4.2001 for financing safety works relating to conversion of unmanned level crossings and for construction of Railway Over/Under Bridges at busy level crossings. The Fund is mainly financed through transfer of funds by the Government from the Central Road Fund and the contribution hitherto being made to the Railway Safety Works Fund out of the dividend being paid to the General Revenues. This is a non-interest bearing Fund. Credit to the Fund during 2008-09 is placed at Rs.776.47 crore. The withdrawal is estimated at Rs.1299.00 crore. The credit during 2009-10 is estimated at Rs.960.93 crore and the withdrawal is estimated at Rs.1458.36 crore.

#### (iv) *International Financial Institutions*

The estimates relating to (a) special securities issued towards India's subscriptions/contributions to International Financial Institutions and (b) certain transactions involving use of Special Drawing Rights (SDRs) with the I.M.F. are given in the table below:

(in crore of Rupees)

International Financial Institutions	Budget 2008-2009			Revised 2008-09			Budget 2009-10		
	Receipts	Discharges	Net	Receipts	Discharges	Net	Receipts	Discharges	Net
1	2	3	4	5	6	7	8	9	10
1. International Monetary Fund	...	0.01	(-) 0.01	1077.49	9846.70	(-)8769.21	0.01	14955.26	(-)14955.25
2. International Bank for Reconstruction and Development	...	113.15	(-)113.15	...	125.15	(-) 125.15	...	55.12	(-)55.12
3. International Development Association	...	...	...	3.88	...	3.88	0.01	...	0.01
4. Asian Development Bank	...	15.00	(-)15.00	...	14.03	(-) 14.03	...	16.90	(-)16.90
5. African Development Fund & Bank	19.76	6.62	13.14	14.30	7.95	6.35	14.51	8.98	5.53
6. Multilateral Investment Guarantee Agency (MIGA)	...	...	...	...	...	...	...	...	...
<b>Total</b>	<b>19.76</b>	<b>134.78</b>	<b>(-) 115.02</b>	<b>1095.67</b>	<b>9993.83</b>	<b>(-)8898.16</b>	<b>14.53</b>	<b>15036.27</b>	<b>(-)15024.74</b>
<b>S.D.Rs</b>	<b>163.47</b>	<b>179.64</b>	<b>(-) 16.17</b>	<b>141.76</b>	<b>1152.47</b>	<b>(-) 1010.71</b>	<b>131.53</b>	<b>159.38</b>	<b>(-) 27.85</b>

*International Monetary Fund (IMF)*: Under the 'Maintenance of Value' provision of the Fund's Article of Agreement, the value of the currencies of members held in the General Resources Account is required to be maintained in terms of the Special Drawing Rights and an adjustment in the Fund's holdings of a member's currency pursuant to this provision is made on the occasion of the use of that currency in an operation or transaction between the Fund and another member and at such other times as the Fund may decide or the member may request. IMF revalued its holdings of Indian Rupees with India at the rate of XDR 0.0152211 per Indian Rupee and this revaluation has resulted in making a provision at RE 2008-09 stage for Rs. 1077.49 crore and BE 2009-10 is kept at Rs. 0.01 crore.

On account of repurchase transactions during 2008-09 a provision of Rs. 4192.42 crore has been kept. Due to exchange rate variation which has necessitated draw down of the rupee balances in IMF Account No.1, the rupee securities are required to be encashed to replenish IMF Account No. 1 with RBI. In RE 2008-09, Rs.4192.42 crore has been provided for this purpose .

*Special Drawing Rights (SDRs)*: India is a participant in the Special Drawing Rights allocation of the IMF. Since 1981 the net cumulative allocations of SDR to India has remained at SDR 681.2 million, as there was no fresh allocation of SDRs. The SDRs are used in transactions such as payment of charges and discharge of repurchase obligations including payment of additional subscription.

IMF pays interest to each holder on its holdings of Special Drawing Rights and levies charges at the same rate on each participant's net cumulative allocation. It also levies assessment charges with regard to administration of the SDR account, for all participants on their net cumulative allocations. The net interest or net charges are settled by crediting or by debiting individual holdings account at the beginning of February, May, August and November of each year.

India has already completed repurchases against various facilities drawn by it. Therefore, during BE and RE 2008-09, no provision has been made under this head. There is no requirement for any provision in BE for 2009-10.

Purchase and repurchase transactions are debited/credited to the head "Special Drawing Rights" in the Public Account. Payments made to the IMF in the form of SDRs are debited to the relevant expenditure heads per contra-credit to this head. Similarly, receipts realised in the form of SDRs are credited to the relevant receipt heads by contra-debit to this head. The total credits to the head 'Special Drawing Rights' amounted to Rs.4291.19 crore in the Revised Estimate 2008-09 of which Rs. 141.76 crore would be contra credit to SDR A/c. The total debits to the head Special Drawing Rights amount to Rs. 1152.47 crore in the Revised Estimates 2008-09, of which Rs.1152.47 crore would be contra-debited to the SDR Account. During 2009-10 there will be a credit of Rs.131.54 crore and a debit of Rs. 159.38 crore.

*International Bank for Reconstruction and Development (IBRD):* With the conversion of maintenance of value (MOV) obligation into Special Dollar Denomination securities, no provision is required to be made in BE 2009-10.

Budget Estimate 2008-09 is of Rs.113.15 crore towards encashment of securities by IBRD. A provision has been enhanced to Rs. 125.15 crore in RE-2008-09, whereas BE 2009-10 has been kept at Rs.55.12 crore.

*International Development Association (IDA):* In light approval of IDA-15 Replenishment India's contribution to the IDA has been estimated at Rs. 3.88 crore in RE 2008-09, BE 2009-10 is kept at Rs 0.01 crore.

*International Fund for Agriculture Development (IFAD):* India is one of the original members of the International Fund for Agricultural Development, a specialised agency of the United Nations. India has contributed \$ 73 million towards resources of IFAD till December 2007. The payment are made by the issue of Non- Negotiable, Non- Interest bearing Rupee securities held in favour of IFAD by RBI upto 4<sup>th</sup> replenishment. From 5<sup>th</sup> replenishment onward, the Government of India has made payments in cash.

*Asian Development Bank (ADB):* The Asian Development Bank keeps Rupee securities with the Reserve Bank of India which can be encashed by it to meet its rupee expenditure in India from time to time. A provision of Rs.15.00 crore was made in BE 2008-09. RE 2008-09 and BE 2009-10 has been kept at Rs.14.03 crore and Rs.16.90 crore respectively.

*African Development Fund (AFDF) and African Development Bank (AFDB):* AFDF and AFDB have been set up with the main objective of furthering the economic and social development of the region by providing financial assistance on soft terms. India has joined both the Fund and the Bank in order to develop closer economic co-operation with the African countries.

In case of AFDB, under the Fifth General Capital Increase (GCI-V) of the capital stock of the African Development Bank, India's subscription comes out to be US \$ 13 51112 which was to be paid in the eight equal installments of US \$ 168889 per year. The first installment towards GCI-V was paid in September-2000 and the 8th Installment was paid in 2007.

In case of African development Fund, India's contribution to ADF-X, third and final installment was paid in the month of May 2007. Now ADF-XI replenishment of African Development Fund has started and India's subscription to ADF-XI amounts to Rs. 40.17 crore which will be payable in three equal annual installments of Rs 13.39 crore each during 2008 to 2010 . Apart from this an amount of Rs.0.90 crore needs to be contributed to Multilateral Debt Relief Initiatives ( MDRI) during the year 2008-09 whereas Rs 1.12 crore is required during 2009-10. However a provision of Rs. 14.30 crore has been kept at RE 2008-09 and Rs. 14.51 crore in BE 2009-10.

*Multilateral Investment Guarantee Agency (MIGA):* No payment is envisaged in 2008-09 and 2009-10 for encashment of securities created in favour of Multilateral Investment Guarantee Agency (MIGA).

(v) **Other Items:**

The estimates include net effect of transactions under the Family Pension-cum-Life Assurance Fund for industrial and coal mine workers, Postal Insurance and Life Annuity Fund, Central Government Employees Group Insurance Funds, deposits of Central Public Sector Undertakings, security deposits, court deposits etc.