

DOCUMENT OF INTERNATIONAL MONETARY FUND
AND NOT FOR PUBLIC USE

**FOR
AGENDA**

MASTER FILES

ROOM C-120

01

SM/86/54
Correction 1

CONTAINS CONFIDENTIAL

April 16, 1986

To: Members of the Executive Board
From: The Secretary
Subject: India - Staff Report for the 1986 Article IV Consultation

The following corrections have been made in SM/86/54 (3/6/86):

Page 47, stub "Total disbursed and outstanding":

for "3,275.3 10,059.7 13,335.0"
read "2,149.3 9,231.5 11,380.8"

stub "Total undisbursed": for "3,887.2 3,473.3 7,360.5"
read "5,013.2 4,301.5 9,314.7"

A corrected page is attached.

Att: (1)

Other Distribution:
Department Heads

FOR
AGENDA

DOCUMENT OF INTERNATIONAL MONETARY FUND
AND NOT FOR PUBLIC USE

REGISTER FILES

101

ROOM 5-150

SM\86\24
Correction I

CONTAINS CONFIDENTIAL

April 16, 1986

To: Members of the Executive Board
From: The Secretary
Subject: India - Staff Report for the 1986 Article IV Consultation

The following corrections have been made to SM\86\24 (3\6\86):

Total disbursed and outstanding:

for "3,222.3	10,024.7	13,332.0"		
less "2,149.3	9,231.2	11,280.8"		
			for "3,887.3	7,360.2"
			less "2,013.2	5,347.0"

A corrected page is attached.

ALL: (1)

Other Distribution:
Department Heads

India: Financial Relations with World Bank Group
(As of September 30, 1985)

	US\$ Million		
	<u>IBRD</u>	<u>IDA</u>	<u>TOTAL</u>
Loans/credit fully disbursed	2,528.9	5,938.9	8,467.8
Present commitments <u>1/</u>			
Agriculture	278.2	3,855.7	4,133.9
Power	2,606.2	1,713.0	4,319.2
Energy	747.3	--	747.3
Industry	1,251.6	399.1	1,650.7
Transportation	930.7	425.0	1,355.7
Water supply and sewerage, urban	24.1	908.0	932.1
Telecommunications	120.0	314.0	434.0
Other	--	199.0	199.0
Subtotal	<u>5,958.1</u>	<u>7,813.8</u>	<u>13,771.9</u>
Total fully disbursed and present commitments	8,487.0	13,752.7	22,239.7
Repayments	1,324.5	219.7	1,544.2
Total now held by Bank	7,162.5	13,533.0	20,695.5
Total disbursed and outstanding	2,149.3	9,231.5	11,380.8
Total undisbursed	5,013.2	4,301.5	9,314.7
IFC investment now held			132.9

Recent economic work:

The economic report "India-- Structural Changes and Development Perspectives" (No. 5593-IN) was issued on April 24, 1985. The next country economic memorandum is to be issued in April 1986.

Aid Consultative Group:

The last meeting of the India Consortium was held in Paris on June 18-19, 1985. The next meeting is scheduled for June 1986.

1/ Includes effective loans and those approved as of September 30, 1985.

India: Statistical Issues1. Outstanding statistical issues

The main sources of the statistics used in the report are the Central Statistical Office, the Reserve Bank of India, and the Ministry of Finance. A major problem is the delay in compiling many of the figures so that for recent periods it has been necessary to make estimates. The reliability of these estimates varies according to lags in the availability of data. Apart from delays in compilation, the financial data base is generally comprehensive. There are the following specific problems with the data:

a. National accounts

The latest year for which national accounts data have been reported is 1984/85. Official estimates of investment are subject to wide variation and are of uncertain reliability, particularly with respect to changes in stocks and price deflators.

b. Prices and production

The consumer price index (1960 = 100) is based on a household expenditure survey conducted in 1958/59, which is now outdated. A new index is being established, based on the Labor Bureau's 1981/82 expenditure survey. The wholesale price index (1970/71 = 100) and the industrial production index (1970/71 = 100) are also in the process of revision.

c. Government finance

For the central government, partial annual data through 1984/85 are available in IFS and complete annual data through 1983/84 have been published in the 1985 Government Finance Statistics Yearbook. The 1985 Yearbook shows data for the consolidated general government through 1982/83, but the coverage is limited to the central and state governments. Comprehensive and consolidated data for local authorities are compiled for eight states only. Further efforts are needed to compile data for local authorities in the remaining states, especially for urban local bodies, where chances for progress are greatest, but also rural local bodies. Efforts to develop such local government data should be encouraged.

d. Monetary accounts

Data for the monetary sector are fairly current; however, those for the development banks and life insurance companies have not been