

**Sixteenth Meeting of the  
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**Country Case Studies on Revision Policy and Practice**

**Prepared by the Reserve Bank of India**

## **Country Case Studies of Revision Policy and Practice**

### **(i) Consultations with users about revision practices**

Consultations are generally held with the official user agencies, which include domestic official agencies as well as the multilateral agencies.

### **(ii) The format of a summary statement of revision policy for public use**

The summary statement of revision policy for public use is not set out.

### **(iii) Features of the revision cycle, e.g. periodicity, considerations underlying the choice of this cycle**

In the normal course, the revision in the quarterly data on Balance of Payments (BoP) takes place during the thirds and the fourth quarters of the financial year (April-March). The annual data for a financial year are revised in the second quarter of the next financial year.

The main consideration for choice of the revision cycles is the time lag involved in receiving the final data on various components of BoP from a number of sources.

### **(iv) The trade-offs between timeliness and accuracy and their application in a revision policy**

As per the SDDS requirements of the IMF, timeliness in terms of one quarter lag in the dissemination of quarterly data is adhered to.

Quarterly data undergo revision till the last quarter of the financial year. The revisions in the quarterly data generally do not result in a large deviation of the provisional data from the actual data. Revisions are not frequent for the annual data and there is no compromise on accuracy of data.

**(v) Sources of revisions, techniques for dealing with them**

The major revisions in the BoP occur on account of the components of current account such as merchandise trade data and data on services. Some revisions in the capital account also take place on account of revision of data on NRI deposits and foreign investment and commercial borrowings. These revisions are effected on the basis of returns filed by entities dealing in foreign exchange and subject to requirements. Thus, the technique of revision follows a full information methodology.

**(vi) Classification of revisions by type or reason**

Revisions are made according to the advice received from the source agencies providing primary data. The main sources of revisions are practically the same sources used for compilation of balance of payments. The major sources are:

- (a) Reserve Bank of India
- (b) Government of India
- (c) Agencies/Department of Government of India such as  
Directorate General of Commercial Intelligence and Services, Ministry of  
Tourism, Airlines, Indian Missions abroad
- (d) Results of various surveys
- (f) Other Sources comprising long term financial institutions — the  
Industrial Credit and Investment Corporation of India (ICICI) the

Industrial Development Bank of India (IDBI), the Industrial Finance Corporation of India (IFCI) and the National Small-Scale Industrial Corporation of India (NSCI), and foreign embassies in India.

The quarterly BoP data for the current financial year are called preliminary data. The annual data, published after a one-quarter lag, are also treated as preliminary. Data for the previous fiscal year are treated as partially revised.

**(vii) Presentation of revised data, notably the method of Identification of preliminary and revised data**

Revised data are identified as partially revised (PR). Depending on the revisions of the data, appropriate footnotes and separate indications in the “Notes on tables” are provided in publications.

**(viii) Dissemination of information on actual revisions**

The information on actual revisions are disseminated as and when the data are revised. The dissemination takes place through various publications - monthly as well as annual - which include the RBI Bulletin, the Annual Report, Handbook of Statistics on Indian Economy.