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# Review Of Research



## FOREIGN DIRECT INVESTMENT IN INDIA: A CRITICAL ASSESSMENT OF INFLOWS AND OUTFLOWS



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### ABSTRACT

Research on FDI is one of the most interesting topics in the area of international business and trade. FDI assumes lot of importance because it can influence many economic variables of a host country. It has its impact on employment, prices, exports, imports, exports, BOP, economic growth, completion, production etc.

**KEYWORDS** :Foreign investment, opportunities, globalization.

### INTRODUCTION

At the time of independence, India's technological base and domestic savings were both weak and stagnant. Therefore, India adopted import substitution and encouraged foreign private capital and technology as element of her strategy for industrial development in order to fill up the technological and production gaps and accelerate the development process.

Foreign investment is seen as a means to supplement domestic investment for achieving a higher level of economic development. It benefits domestic industry as well as the Indian consumers by providing opportunities for technological upgradation , access to global managerial skills and practices, making Indian industry internationally competitive, opening up export market, providing backward and forward linkages and access to international quality goods and services.

Investment in a country by individuals and organizations from other countries is an important aspect of international finance. This flow of international finance may take the form of portfolio

investment, that is, acquisition of securities or direct investment creation of productive facilities.

Foreign Direct Investment is the outcomes of the mutual interest of multinational firms and host countries. According to the International Monetary Fund, FDI is defined as "investment that is made to acquire a lasting interest in an enterprise operating in an economy other than that of investor." The investors propose being to have an effective voice in management of the enterprise. The essence of FDI is the transmission to the host country of a package of capital, managerial skills and technical knowledge.

The volume and direction of India's offshore business exploded after the early 1990s. The buzzword of globalization developed a new approach to international business activities. The process of liberalization and privatization came up as elixirs to the health of globalization. Arthur Dunkel, in 1988, played very positive role in making the economies wall-less and adaptable to foreign investments. The inflow of foreign investments is practically very significant for the economic development and growth of a country in general and a developing state in particular. It was W.T.O. that fuelled the derive of global mechanisms. The new derive posed the challenges and threats before the Indian economy in many ways. The inflows of foreign investments, which started at faster rate after 1990-91 were divided into two categories: (i) Foreign Direct Investment as investments made for the purpose of actively controlling property assets, or companies located in host nations; and (ii) Foreign Portfolio investments. These investments: create the sources for a receiving nation, link the host-nation with the global markets, faster the economic growth and capital markets and enhance the competitive advantage by value creation etc.

Foreign investment is motivated by private gain but it has many benefits for less developed countries if proper care and cautions are exercised while inviting foreign investment. Foreign investment should be supportive of the progress of the economy, development of the industry and prosperity of the people. It should not be destructive in any form. Foreign investment can fill the gap between desired investment and locally mobilized savings.

Foreign investment can supply a package of needed resources such as management experience, entrepreneurial abilities, organizational and technological skills. Foreign investment brings with it technological knowledge while transferring machinery and equipment to the developing countries. Under developed and developing countries require huge capital investment for the development of basic economic structure as their domestic capital is inadequate. In such a situation foreign investment plays a pivotal role in the development of basic infrastructure such as transport and communicational system, generation and distribution of electricity, development of irrigation facilities etc. Foreign investment can help the host country in improving its export performance. It has a positive impact on the host country's export competitiveness by raising the level of efficiency and the standard of product quality. Foreign investment provides to the host country better access to foreign markets. A number of under developed countries possess huge mineral resources, which avoid exploitation. They have to depend upon foreign capital to undertake the exploitation of their mineral wealth. In case of an adverse balance of payments situation in the host country, investment presents a short-run solution to the problem. Consumers in developing countries stand to gain from foreign investment through new products and improved quality of goods at competitive prices. Profit generation by foreign investment in the host country contributes to corporate tax revenue in the later.

Almost every developed country of the world in the initial stage of development had made use of foreign capital to make up the deficiency of domestic saving. In the seventeenth and eighteenth century, England borrowed from Holland and in the nineteenth and twentieth century England itself gave loans to many countries. USA, the richest country of the world, had borrowed heavily in the

nineteenth century and now in the 20th century, USA has become the biggest lender country of the world. Foreign capital has played an important role in the economic development of India. Foreign capital had started flowing in India since the times of East India Company. However, the policy relating to foreign capital purchased by the British government was favourable for the foreign capitalist but against the interests of India. After independence foreign capital was used as a tool for promoting economic development to make balance of payment favourable.

Foreign Direct Investment in India (FDI): India is one of the most attractive destinations for FDI in the world. Due to a variety of reasons the Retail sector is now attracting various foreign investors to invest in India. These investments come in a variety of ways including equity participation. In table no. 4.1 data pertaining to investment in equity shares of India is given.

**TABLE 1: FOREIGN DIRECT INVESTMENT IN INDIA (FDI)  
From APRIL, 2000 to NOVEMBER, 2014**

**I. CUMULATIVE FDI FLOWS INTO INDIA (2000-2014):**

**A. TOTAL FDI INFLOWS (from April, 2000 to November, 2014):  
(up dated up to November, 2014)**

|    |   |                           |                            |
|----|---|---------------------------|----------------------------|
| 1. | CUMULATIVE AMOUNT OF FDI INFLOWS<br>(Equity inflows + 'Re-invested earnings' + 'Other capital')   | -                         | US\$<br>350,963<br>Million |
| 2. | CUMULATIVE AMOUNT OF FDI EQUITY INFLOWS<br>(excluding, amount remitted through RBF's+NRI Schemes) | Rs.<br>1,157,944<br>crore | US\$<br>236,465<br>Million |

**B. FDI INFLOWS DURING FINANCIAL YEAR 2014-15 (from April, 2014 to November, 2014):**

|    |   |                      |                        |
|----|---|----------------------|------------------------|
| 1. | TOTAL FDI INFLOWS INTO INDIA<br>(Equity inflows + 'Re-invested earnings' + 'Other capital')<br>(as per RBI's Monthly bulletin dated: 09.01.2015). | -                    | US\$ 27,401<br>million |
| 2. | FDI EQUITY INFLOWS  | Rs. 114,047<br>crore | US\$ 18,884<br>million |

**FDI EQUITY INFLOWS (MONTH-WISE)**

**TABLE 2 . FDI EQUITY INFLOWS (MONTH-WISE) DURING THE FINANCIAL YEAR 2014-15:**

| Financial Year 2014-15<br>( April-March )       |                 | Amount of FDI Equity inflows |              |
|---|-----------------|------------------------------|--------------|
|   |                 | (In Rs. Crore)               | (In US\$ mn) |
| 1.  | April, 2014     | 10,290                       | 1,705        |
| 2.  | May, 2014       | 21,373                       | 3,604        |
| 3.  | June, 2014      | 11,508                       | 1,927        |
| 4.  | July, 2014      | 21,022                       | 3,500        |
| 5.  | August, 2014    | 7,783                        | 1,278        |
| 6.  | September, 2014 | 16,297                       | 2,678        |
| 7.  | October, 2014   | 16,288                       | 2,655        |
| 8.  | November, 2014  | 9,486                        | 1,537        |
| 2014-15 ( from April, 2014 to November, 2014) # |                 | 114,047                      | 18,884       |
| 2013-14 (from April, 2013 to November, 2013) #  |                 | 92,994                       | 15,458       |
| %age growth over last year                      |                 | ( + ) 23 %                   | ( + ) 22 %   |

Table 4.2 describes the pattern of Equity Share capital in the year 2014 -15 in the India and it also reveals the Share of foreign promoters i.e. % FDI in that equity share capital.

**FDI EQUITY INFLOWS (MONTH-WISE) DURING THE CALENDAR YEAR 2014:**

**TABLE 3 FDI EQUITY INFLOWS (MONTH-WISE) DURING THE CALENDAR YEAR 2014:**

| Calendar Year 2014<br>(Jan.-Dec.)  |                 | Amount of FDI Equity inflows |              |
|------------------------------------|-----------------|------------------------------|--------------|
|                                    |                 | (In Rs. Crore)               | (In US\$ mn) |
| 1.                                 | January, 2014   | 13,589                       | 2,189        |
| 2.                                 | February, 2014  | 12,557                       | 2,017        |
| 3.                                 | March, 2014     | 21,558                       | 3,533        |
| 4.                                 | April, 2014     | 10,290                       | 1,705        |
| 5.                                 | May, 2014       | 21,373                       | 3,604        |
| 6.                                 | June, 2014      | 11,508                       | 1,927        |
| 7.                                 | July, 2014      | 21,022                       | 3,500        |
| 8.                                 | August, 2014    | 7,783                        | 1,278        |
| 9.                                 | September, 2014 | 16,297                       | 2,678        |
| 10.                                | October, 2014   | 16,288                       | 2,655        |
| 11.                                | November, 2014  | 9,486                        | 1,537        |
| Year 2014 (up to November, 2014) # |                 | 161,751                      | 26,623       |
| Year 2013 (up to November, 2013) # |                 | 122,664                      | 20,936       |
| %age growth over last year         |                 | (+) 32 %                     | (+) 27 %     |

Note: (i) Country & Sector specific analysis is available from the year 2000 onwards, as Company-wise details are provided by RBI from April, 2000 onwards only.

# Figures are provisional, subject to reconciliation with RBI, Mumbai.

Table 3 describes the pattern of Equity Share capital in the year 2014 -15 in the India and it also reveals the Share of foreign promoters i.e. % FDI in that equity share capital.

**SHARE OF TOP INVESTING COUNTRIES FDI EQUITY INFLOWS**

The main contributors in India are given in table 4.4.

**TABLE 4 SHARE OF TOP INVESTING COUNTRIES FDI EQUITY INFLOWS (Financial years):**

Amount Rupees in crores (US\$ in million)

| Ranks | Country     | 2012-13<br>(April -<br>March) | 2013-14<br>(April -<br>March) | 2014-15<br>(April-<br>November,<br>2014) | Cumulative<br>Inflows<br>(April '00 -<br>November '14) | %age to total<br>Inflows<br>(in terms<br>of US \$) |
|-------|-------------|-------------------------------|-------------------------------|--|--|--|
| 1.    | MAURITIUS   | 51,654<br>(9,497)             | 29,360<br>(4,859)             | 31,336<br>(5,205)                        | 401,821<br>(83,730)                                    | 35 %   |
| 2.    | SINGAPORE   | 12,594<br>(2,308)             | 35,625<br>(5,985)             | 22,698<br>(3,747)                        | 148,504<br>(29,193)                                    | 12 %   |
| 3.    | U.K.        | 5,797<br>(1,080)              | 20,426<br>(3,215)             | 5,971<br>(998)                           | 106,856<br>(21,761)                                    | 9 %  |
| 4.    | JAPAN       | 12,243<br>(2,237)             | 10,550<br>(1,718)             | 7,789<br>(1,289)                         | 88,433<br>(17,557)                                     | 7 %  |
| 5.    | NETHERLANDS | 10,054<br>(1,856)             | 13,920<br>(2,270)             | 14,690<br>(2,429)                        | 70,988<br>(13,665)                                     | 6 %  |

## FOREIGN DIRECT INVESTMENT IN INDIA: A CRITICAL ASSESSMENT OF INFLOWS AND OUTFLOWS

|  |             |                     |                     |                     |                        |     |
|--|-------------|---------------------|---------------------|---------------------|------------------------|-----|
| 6.                                     | U.S.A.      | 3,033<br>(557)      | 4,807<br>(806)      | 8,248<br>(1,358)    | 63,978<br>(13,286)     | 6 % |
| 7.                                     | CYPRUS      | 2,658<br>(490)      | 3,401<br>(557)      | 2,837<br>(470)      | 38,567<br>(7,916)      | 3 % |
| 8.                                     | GERMANY     | 4,684<br>(860)      | 6,093<br>(1,038)    | 3,725<br>(615)      | 35,331<br>(7,134)      | 3 % |
| 9                                      | FRANCE      | 3,487<br>(646)      | 1,842<br>(305)      | 3,229<br>(530)      | 21,935<br>(4,409)      | 2 % |
| 10.                                    | SWITZERLAND | 987<br>(180)        | 2,084<br>(341)      | 1,116<br>(184)      | 14,264<br>(2,892)      | 1 % |
| TOTAL FDI INFLOWS FROM ALL COUNTRIES * |             | 121,907<br>(22,423) | 147,518<br>(24,299) | 114,047<br>(18,884) | 1,158,477<br>(236,586) | -   |

\*Includes inflows under NRI Schemes of RBI.

Note: (i) Cumulative country-wise FDI equity inflows (from April, 2000 to November, 2014) are at – Annex-‘A’.

(ii) %age worked out in US\$ terms & FDI inflows received through FIPB/SIA+ RBI’s Automatic Route + acquisition of existing shares only.

### SECTORS ATTRACTING HIGHEST FDI EQUITY INFLOWS:

TABLE 5 SECTORS ATTRACTING HIGHEST FDI EQUITY INFLOWS:

Amount in Rs. crores (US\$ in million)

| Ranks | Sector  | 2012-13<br>(April-March) | 2013-14<br>(April-March) | 2014-15<br>(April-November, 2014) | Cumulative Inflows<br>(April '00 - November '14) | % age to total Inflows<br>(In terms of US\$) |
|-------|---|--------------------------|--------------------------|-----------------------------------|--|--|
| 1.    | SERVICES SECTOR **  | 26,306<br>(4,833)        | 13,294<br>(2,225)        | 11,189<br>(1,847)                 | 196,759<br>(41,307)                              | 18 %   |
| 2.    | CONSTRUCTION DEVELOPMENT: TOWNSHIPS, HOUSING, BUILT-UP INFRASTRUCTURE           | 7,248<br>(1,332)         | 7,508<br>(1,226)         | 4,240<br>(703)                    | 112,797<br>(24,009)                              | 10 %   |
| 3.    | TELECOMMUNICATIONS<br>(radio paging, cellular mobile, basic telephone services) | 1,654<br>(304)           | 7,987<br>(1,307)         | 14,726<br>(2,472)                 | 81,446<br>(16,635)                               | 7 %  |
| 4.    | COMPUTER SOFTWARE & HARDWARE  | 2,656<br>(486)           | 6,896<br>(1,126)         | 5,241<br>(862)                    | 64,911<br>(13,679)                               | 6 %  |
| 5.    | DRUGS & PHARMACEUTICALS   | 6,011<br>(1,123)         | 7,191<br>(1,279)         | 6,903<br>(1,154)                  | 62,974<br>(12,751)                               | 5 %  |
| 6.    | AUTOMOBILE INDUSTRY   | 8,384<br>(1,537)         | 9,027<br>(1,517)         | 9,379<br>(1,539)                  | 57,575<br>(11,351)                               | 5 %  |
| 7.    | CHEMICALS (OTHER THAN FERTILIZERS)  | 1,596<br>(292)           | 4,738<br>(878)           | 2,830<br>(470)                    | 48,063<br>(10,137)                               | 4 %  |
| 8.    | POWER   | 2,923<br>(536)           | 6,519<br>(1,066)         | 3,317<br>(550)                    | 45,972<br>(9,450)                                | 4 %  |
| 9.    | METALLURGICAL INDUSTRIES  | 7,878<br>(1,466)         | 3,436<br>(568)           | 1,323<br>(219)                    | 39,572<br>(8,294)                                | 4 %  |
| 10    | HOTEL & TOURISM   | 17,777<br>(3,259)        | 2,949<br>(486)           | 3,288<br>(544)                    | 39,496<br>(7,662)                                | 3 %  |

Note: (i)\*\* Services sector includes Financial, Banking, RETAIL, Non-Financial / Business, Outsourcing, R&D, Courier, Tech.

Testing and Analysis

(ii) Cumulative Sector-wise FDI equity inflows (from April, 2000 to November, 2014) are at - Annex-'B'.

(iii) FDI Sectoral data has been revalidated / reconciled in line with the RBI, which reflects minor changes in the FDI figures

(increase/decrease) as compared to the earlier published sectoral data.

Table 5 depicts that India stands today as the largest democratic country in the world. Its political and administrative set up has many flaws and shortcomings. The Indian administrative system and governance infused with the flaws like shortcomings of power, bureaucratic barriers, political uncertainty and infrastructural deficiencies. In spite of all these, India became one of the most attractive grounds for wealthy European and American investors. Since independence till 1990, the performance of Indian economy has been dominated by a regime of multiple controls, restrictive regulations and wide ranging state intervention. In 1991, India's liberalization has acquired a revolutionary status as a time of change in the planning of India's future. India has been ranked at the second place in global FDI in 2010 and will continue to remain among the top five attractive destinations for international investors during 2010-12 period.

India is the 3rd largest economy of the world in terms of purchasing power parity and, thus, looks attractive to the world of FDI. Even government of India has been trying hard to do away with FDI caps for majority of the sectors. But there are still some critical areas like retailing and insurance where there is a lot of opposition from local Indians and Indian companies. FDI in India is subjected to certain rules and regulations and is subject to predefined limits in various sectors which range from 20% to 100%. There are also some sectors in which FDI is prohibited. The FDI limitance reviewed by the government from time to time and as and when the need is felt and FDI is allowed in some new sectors where the limits of investment in the existing sectors are modified accordingly. In order to revise the FDI limits to attract more foreign investment in India, the Union government constituted a committee named, Arvind Mayaram Committee headed by the Economic Affairs Secretary. The government of India on July 16, 2013 approved the recommendation of the committee to increase the limits of FDI in 12 sectors out of proposed 20 sectors. The major policy decision taken at meeting convened by P.M. Manmohan Singh for boosting the flow of foreign funds in the light of depreciating rupee against the dollar and bid to turn around declining investor sentiments.



**RBI'S REGIONAL OFFICES (WITH STATE COVERED) RECEIVED FDI EQUITY INFLOWS1**

**Table .6 STATEMENT ON RBI'S REGIONAL OFFICES (WITH STATE COVERED) RECEIVED FDI EQUITY INFLOWS1 (from April, 2000 to November, 2014):**

Amount Rupees in crores (US\$ in million)

| S. No.             | RBI's - Regional Office <sup>2</sup>     | State covered   | 2012-13<br>(April - March)  | 2013-14<br>(April - March)  | 2014-15<br>(April-<br>November,<br>2014) | Cumulative<br>Inflows<br>(April '00 -<br>November '14) | %age to<br>total Inflows<br>(in terms of US\$) |
|--------------------|--|---|-----------------------------|-----------------------------|--|--|--|
| 1                  | MUMBAI                                   | MAHARASHTRA,<br>DADRA & NAGAR<br>HAVELI, DAMAN &<br>DIU                                       | 47,359<br>(8,716)           | 20,595<br>(3,420)           | 22,080<br>(3,657)                        | 336,169<br>(70,414)                                    | 30   |
| 2                  | NEW DELHI                                | DELHI, PART OF<br>UP AND HARYANA  | 17,490<br>(3,222)           | 38,190<br>(6,242)           | 19,606<br>(3,239)                        | 226,377<br>(45,775)                                    | 19   |
| 3                  | CHENNAI                                  | TAMIL NADU,<br>PONDICHERRY  | 15,252<br>(2,807)           | 12,595<br>(2,116)           | 15,812<br>(2,607)                        | 81,218<br>(15,803)                                     | 7  |
| 4                  | BANGALORE                                | KARNATAKA   | 5,553<br>(1,023)            | 11,422<br>(1,892)           | 9,132<br>(1,498)                         | 69,999<br>(14,174)                                     | 6  |
| 5                  | AHMEDABAD                                | GUJARAT   | 2,676<br>(493)              | 5,282<br>(860)              | 4,110<br>(678)                           | 48,492<br>(10,188)                                     | 4  |
| 6                  | HYDERABAD                                | ANDHRA<br>PRADESH   | 6,290<br>(1,159)            | 4,024<br>(678)              | 6,535<br>(1,082)                         | 47,449<br>(9,728)                                      | 4  |
| 7                  | KOLKATA                                  | WEST BENGAL,<br>SIKKIM,<br>ANDAMAN &<br>NICOBAR<br>ISLANDS                                    | 2,319<br>(424)              | 2,659<br>(436)              | 858<br>(142)                             | 14,021<br>(2,884)                                      | 1  |
| 8                  | CHANDIGARH                               | CHANDIGARH,<br>PUNJAB,<br>HARYANA,<br>HIMACHAL<br>PRADESH                                     | 255<br>(47)                 | 562<br>(91)                 | 218<br>(36)                              | 6,345<br>(1,328)                                       | 0.6  |
| 9                  | JAIPUR                                   | RAJASTHAN   | 714<br>(132)                | 233<br>(38)                 | 3,212<br>(537)                           | 6,770<br>(1,260)                                       | 0.5  |
| 10.                | BHOPAL                                   | MADHYA<br>PRADESH,<br>CHATTISGARH   | 1,208<br>(220)              | 708<br>(119)                | 600<br>(100)                             | 6,095<br>(1,215)                                       | 0.5  |
| 11                 | KOCHI                                    | KERALA,<br>LAKSHADWEEP  | 390<br>(72)                 | 411<br>(70)                 | 516<br>(85)                              | 5,247<br>(1,066)                                       | 0.4  |
| 12                 | PANAJI                                   | GOA   | 47<br>(9)                   | 103<br>(17)                 | 206<br>(34)                              | 3,863<br>(822)   | 0.3  |
| 13                 | KANPUR                                   | UTTAR<br>PRADESH,<br>UTTRANCHAL   | 167<br>(31)                 | 150<br>(25)                 | 279<br>(46)                              | 2,043<br>(418)   | 0.2  |
| 14                 | BHUBANESHWAR                             | ORISSA  | 285<br>(52)                 | 288<br>(48)                 | 51<br>(9)                                | 1,957<br>(397)   | 0.2  |
| 15                 | GUWAHATI                                 | ASSAM,<br>ARUNACHAL<br>PRADESH,<br>MANIPUR,<br>MEGHALAYA,<br>MIZORAM,<br>NAGALAND,<br>TRIPURA | 27<br>(5)                   | 4<br>(0.6)                  | 9<br>(1)                                 | 361<br>(80)  | 0  |
| 16                 | PATNA                                    | BIHAR,<br>JHARKHAND   | 41<br>(8)                   | 9<br>(1)                    | 49<br>(8)                                | 248<br>(47)  | 0  |
| 17                 | JAMMU                                    | JAMMU &<br>KASHMIR  | 0<br>(0)                    | 1<br>(0.2)                  | 25<br>(4)                                | 26<br>(4)  | 0  |
| 18                 | REGION NOT INDICATED <sup>3</sup>        |   | 21,833<br>(4,004)           | 50,283<br>(8,245)           | 30,750<br>(5,122)                        | 301,266<br>(60,861)                                    | 25.74  |
| <b>SUB. TOTAL</b>  |  |   | <b>121,907<br/>(22,424)</b> | <b>147,518<br/>(24,299)</b> | <b>114,047<br/>(18,884)</b>              | <b>1,157,944<br/>(236,465)</b>                         | <b>100.00</b>                                  |
| 19                 | RBI'S-NRI SCHEMES<br>(from 2000 to 2002) |   | 0                           | 0                           | 0  | 533<br>(121)   | -  |
| <b>GRAND TOTAL</b> |  |   | <b>121,907<br/>(22,424)</b> | <b>147,518<br/>(24,299)</b> | <b>114,047<br/>(18,884)</b>              | <b>1,158,477<br/>(236,586)</b>                         | -  |

Table 6 depicts RBI’S REGIONAL OFFICES (WITH STATE COVERED) RECEIVED FDI EQUITY

TABLE 7 DIPP’S – FINANCIAL YEAR-WISE FDI EQUITY INFLOWS:  
(As per DIPP’s FDI data base – equity capital components only):

| S. Nos  | Financial Year<br>(April – March) | Amount of FDI Inflows |                 | %age growth over<br>previous year<br>(in terms of US \$) |
|---|-----------------------------------|-----------------------|-----------------|--|
|   |                                   | In Rs crores          | In US\$ million |  |
| FINANCIAL YEARS 2000-01 to 2014-15 (up to November, 2014)       |                                   |                       |                 |  |
| 1.  | 2000-01                           | 10,733                | 2,463           | -  |
| 2.  | 2001-02                           | 18,654                | 4,065           | (+) 65 %   |
| 3.  | 2002-03                           | 12,871                | 2,705           | (-) 33 %   |
| 4.  | 2003-04                           | 10,064                | 2,188           | (-) 19 %   |
| 5.  | 2004-05                           | 14,653                | 3,219           | (+) 47 %   |
| 6.  | 2005-06                           | 24,584                | 5,540           | (+) 72 %   |
| 7.  | 2006-07                           | 56,390                | 12,492          | (+) 125 %  |
| 8.  | 2007-08                           | 98,642                | 24,575          | (+) 97 %   |
| 9.  | 2008-09                           | 142,829               | 31,396          | (+) 28 %   |
| 10.   | 2009-10 #                         | 123,120               | 25,834          | (-) 18 %   |
| 11.   | 2010-11 #                         | 97,320                | 21,383          | (-) 17 %   |
| 12.   | 2011-12 # ^                       | 165,146               | 35,121          | (+) 64 %   |
| 13.   | 2012-13 #                         | 121,907               | 22,423          | (-) 36 %   |
| 14.   | 2013-14                           | 147,518               | 24,299          | (+) 8 %  |
| 15.   | 2014-15 (Apr - Nov, 2014)         | 114,047               | 18,884          | -  |
| <b>CUMULATIVE TOTAL</b><br>(from April, 2000 to November, 2014) |                                   | 1,158,478             | 236,587         | -  |

Note: (i) including amount remitted through RBI’s-NRI Schemes (2000-2002).

(ii) FEDAI (Foreign Exchange Dealers Association of India) conversion rate from rupees to US dollar applied, on the basis of monthly average rate provided by RBI (DEPR), Mumbai.

# Figures for the years 2009-10, 2010-11, 2011-12, 2012-13, 2013-14 and 2014-15 (from April to November, 2014) are provisional subject to reconciliation with RBI.

^ Inflows for the month of March, 2012 are as reported by RBI, consequent to the adjustment made in the figures of

March, ‘11, August, ‘11 and October, ‘11.

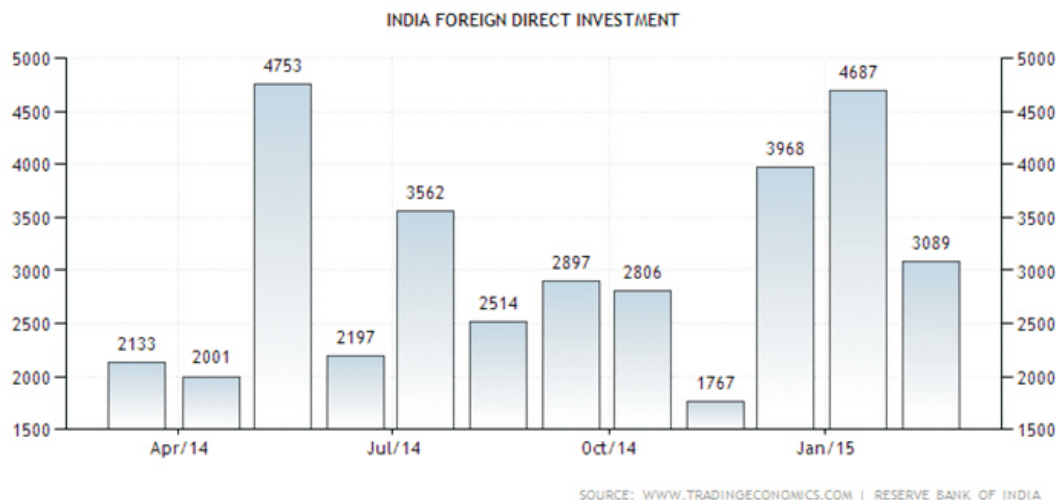


Figure depicts foreign direct investment during 2014-15

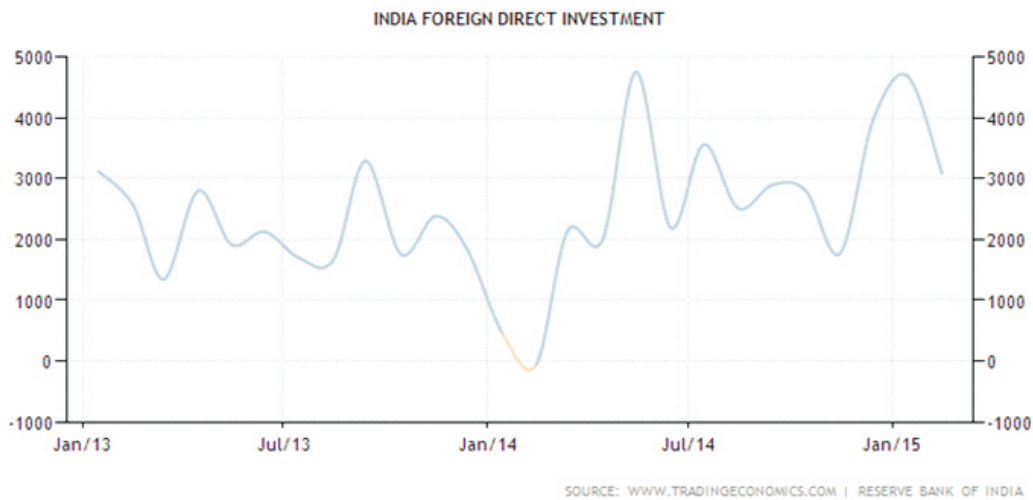


Figure depicts foreign direct investment during 2013-15

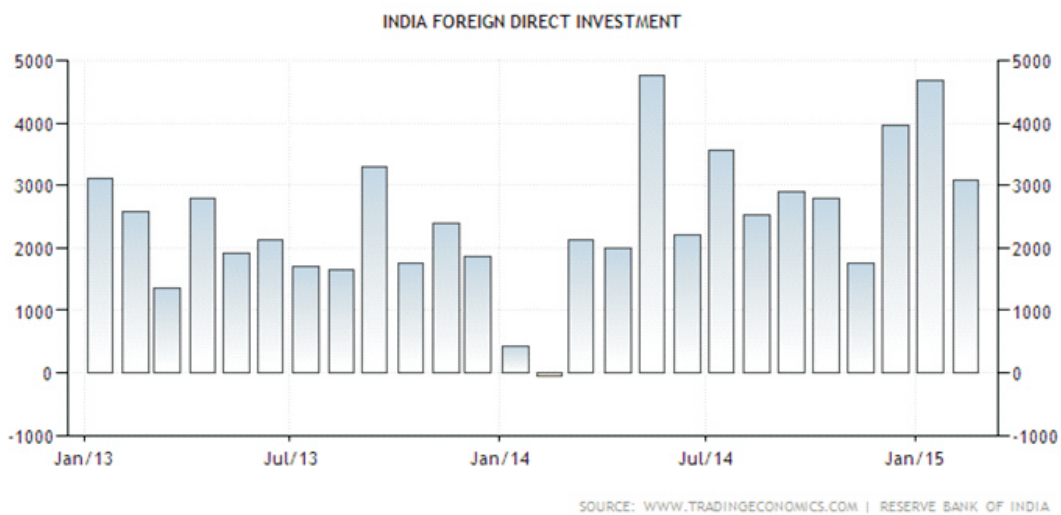


Figure depicts foreign direct investment during 2013-15

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