

**GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA**

STARRED QUESTION NO:589
ANSWERED ON:02.05.2003
FOREIGN INVESTMENTS IN STATES
RAM VILAS PASWAN

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

- (a) the total foreign capital investments in various States during the last two years, State-wise;
- (b) whether the investment of foreign capital in certain States has been negligible;
- (c) whether this unequal foreign economic capital investment will lead to imbalance among the States; and
- (d) if so, the corrective measures being taken by the Government in this regard?

Answer

Finance Minister (Shri Jaswant Singh)

(a) to (d): A Statement is laid on the Table of the House.

Statement referred to in reply to the Starred Question No.589 for 2-5-2003

(a)&(b): Data regarding foreign investments in various States from 1-1-2001 to 31-12-2002, are at Annexe to this statement.

(c)&(d): The main factor contributing to FDI concentration in certain States is the overall investment climate that they provide. Government has put in place a liberal FDI Policy and most of the sectors have been placed under the automatic route except for a small negative list. The location of investment is determined entirely by the commercial judgement of the investor.

The recommendations of the Committee on Reforming Investment Approval and Implementation Procedures, which include measures to facilitate greater investment flows, have been accepted by the Government.

Annexe

YEAR WISE/STATE-WISE FDI INFLOW FROM 01-01-2001 TO 31-12-2002

(AMOUNT RUPEES IN CRORE)

Sl.No. State Name Amount of FDI inflows

	2001 (Jan.-Dec.)	2002 (Jan.-Dec.)
1 Andhra Pradesh	339.80	288.81
2 Assam	0.00	5.58
3 Gujarat	109.41	288.42
4 Haryana	0.00	0.00
5 Karnataka	1310.36	892.90
6 Kerala	69.89	54.86
7 Madhya Pradesh	9.73	9.17
8 Maharashtra	2991.73	4865.73
9 Rajasthan	6.67	1.06
10 Tamil Nadu	742.70	1341.22
11 West Bengal	66.84	132.21
12 Chandigarh	4.01	842.55
13 Delhi	6918.31	2994.28
14 Goa	10.92	146.79
15 Pondicherry	299.26	0.00
16 Others		

(State Not indicated) 2962.27 4259.77

Grand Total 15841.90 16123.35

Note:

(i) Amount includes the inflows received through SIA/FIPB route, acquisition of existing shares & RBI's automatic route only.

(ii) The amount of FDI inflows in respect of the state specific data is not provided by RBI, Mumbai prior to January 2000.