

**GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA**

UNSTARRED QUESTION NO:2977  
ANSWERED ON:12.12.2011  
GAP BETWEEN EXPORTS AND FII INFLOW  
Bajwa Shri Partap Singh

**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

- (a) whether there is a wide gap between the reported official and bottom up data from the companies and foreign institution investments in regard to export from India and FII inflow into India in the current year;
- (b) if so, the reasons for the existence of such wide gaps;
- (c) whether any analysis of the data has been done by the Government for a better understanding of the nature and type of exports and foreign inflow; and
- (d) if so, the details thereof ?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a) to (d) Merchandise export and import are listed under the Current Account transaction in the Balance of Payment. FII inflows are listed under the Capital Account transaction in the Balance of Payment. Thus while both of them are constituents of the Balance of Payment, they are strictly not comparable. Essentially, there is no direct linkage between FII inflow (which is in the nature of investment) and export (which is part of merchandise trade). The details of exports and net FII inflows to India both for the whole year 2010-11 and for April-October, 2011 are as under:

Value in US \$ Million

	2010-11	2011-12
	(April-	
	October)	

India's total exports	251136	179777
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Net FII inflows

(a) Net inflows in equity segment	24295	918
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(b) Net inflows in debt segment	7931	1758
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Total ((a) + (b))	32226	2676
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Export data is analysed from time to time both to understand its sectoral composition as well as geographical spread.