

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:4210  
ANSWERED ON:22.03.2013  
FDI AS COMPARED WITH CHINA  
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**Will the Minister of FINANCE be pleased to state:**

- (a) The comparative Foreign Direct Investment (FDI) flowing into India and China during each of the last two years;
- (b) the reasons for lesser volume of FDI flowing into India, if any; and
- (c) the steps taken/being taken by the Indian Government to improve the situation?

**Answer**

Minister of State in the Ministry of Finance (SHRI NAMO NARAIN MEENA)

- (a) The Foreign Direct Investment (FDI) flowing into India during each of the last two years is given below:

(Amount in USD Million)

Financial Year	Total
2010-11	21,383.05
2011-12	35,120.80
2012-13 (April-2012 - January, 2013)	19,103.23

Government does not maintain data on FDI flowing into China. However, as per World Investment Report 2012 by United Nations Conference on Trade and Development (UNCTAD), FDI inflows in China during last two years is as below:

(Amount in USD Million)

Year	Total
2010	1,14,734
2011	1,23,985

(b) & (c) A straight comparison between FDI inflow into two countries is difficult. Government has been taking a number of measures to attract FDI in India which are mentioned as below:

(i) Government has been making concerted efforts towards creating conducive business environment and encouraging greater investments into India through several policy initiatives. FII investment limits in various categories of debt securities have been progressively enhanced. Government of India, has also, permitted Qualified Foreign Investors (QFIs) to directly invest in Indian Mutual Funds (MFs).

(ii) Foreign Direct Investment (FDI) policy is reviewed on an ongoing basis, with a view to making it more investor friendly. Government has put in place an investor-friendly policy, under which FDI upto 100% is permitted, through the automatic route, in most sectors / activities. Significant changes have been made in the FDI policy regime in the recent times, to ensure that India remains increasingly attractive and investor-friendly.

(iii) The Government has also set up 'Invest India', a joint venture company between the Department of Industrial Policy & Promotion and Federation of Indian Chambers of Commerce and Industry (FICCI), as a not-for-profit, single window facilitator, for prospective overseas investors.