

**MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS**

**LOK SABHA  
UNSTARRED QUESTION NO.2907**

**TO BE ANSWERED ON FRIDAY, DECEMBER 02, 2016/AGRAHAYANA 11, 1938 (SAKA)**

**“Foreign Capital Inflows and Outflows”**

**QUESTION**

**2907: SHRI ANANT KUMAR HEGDE**

**Will the Minister of FINANCE be pleased to state:**

- (a) the details of foreign capital inflows and outflows from India during the last three years and current year;
- (b) whether the Government is aware of increase in foreign capital outflow compared to the inflows, and
- (c) if so, the details thereof and reasons therefor and steps taken to check the trend?

**ANSWER**

**MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI ARJUN RAM MEGHWAL)**

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(a) The details of foreign capital inflows and outflows from India during the last three years and current year is placed at the Annex.

(b) & (C) Government in consultation with regulators have taken a number of steps to boost the inflow of foreign capital to the country and check outflow. The limits for Foreign Portfolio investment (FPI) in the Central Government securities are being increased in phases to reach 5 per cent of the outstanding stock by March 2018. FPIs are also permitted to invest in units of Real Estate Investment Trusts, Infrastructure Investment Trusts and Category III Alternative Investment Funds. All investments by FPIs in Central Government Securities and State Development Loans (SDL) and corporate bonds are required to be made in securities having a minimum residual maturity of 3 years. Changes introduced in the Foreign Direct Investment Policy (FDI) policy to promote FDI inflows include increase in sectoral caps, bringing more sectors under automatic route and easing of conditionalities for foreign investment.

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Annex referred to in part (a) of the Lok Sabha unstarred question no. 2907

(US\$ million)

Item	Apr-Mar 2013-14			Apr-Mar 2014-15			Apr-Mar 2015-16			Apr-Jun 2016-17		
	Cre dit (Infl ow)	Debit (Out low)	Net	Cre dit (Infl ow)	Debit (Out low)	Net	Cre dit (Infl ow)	Debit (Out low)	Net	Cre dit (Infl ow)	Debit (Out low)	Net
1	2	3	4	5	6	7	8	9	10	11	12	13
<b>1. Foreign Investment (a+b)</b>	<b>246,</b>	<b>220,3</b>	<b>26,3</b>	<b>308,</b>	<b>235,1</b>	<b>73,</b>	<b>276,</b>	<b>244,5</b>	<b>31,</b>	<b>72,1</b>	<b>65,92</b>	<b>6,1</b>
	<b>766</b>	<b>80</b>	<b>86</b>	<b>556</b>	<b>00</b>	<b>456</b>	<b>433</b>	<b>42</b>	<b>891</b>	<b>15</b>	<b>4</b>	<b>92</b>
a) Foreign Direct Investment	43,5	22,01	21,5	51,7	20,54	31,	59,8	23,85	36,	14,1	10,08	4,0
	82	8	64	96	4	251	78	7	021	74	6	88
b) Portfolio Investment	203,	198,3	4,82	256,	214,5	42,	216,	220,6	4,1	57,9	55,83	2,1
	184	62	2	761	56	205	555	85	30	41	8	03
	<b>134,</b>	<b>127,0</b>	<b>7,76</b>	<b>123,</b>	<b>120,1</b>	<b>3,1</b>	<b>120,</b>	<b>124,9</b>	<b>4,6</b>	<b>26,1</b>	<b>27,90</b>	<b>1,7</b>
<b>2.Loans (a+b+c)</b>	<b>836</b>	<b>71</b>	<b>5</b>	<b>355</b>	<b>70</b>	<b>84</b>	<b>323</b>	<b>57</b>	<b>34</b>	<b>39</b>	<b>8</b>	<b>69</b>
a) External Assistance	4,65		1,03	5,78		1,7	6,12		1,5	1,86		
	9	3,627	2	0	4,054	25	3	4,619	05	0	1,179	681
b) Commercial Borrowings	30,0	18,28	11,7	27,8	26,27	1,5	24,1	28,68	4,5	3,28		2,1
	60	3	77	47	6	70	57	6	29	0	5,381	00
c) Short Term To India	100,	105,1	5,04	89,7	89,84	-	90,0	91,65	1,6	21,0	21,34	-
	117	61	4	29	0	111	43	3	10	00	9	349
	<b>108,</b>	<b>82,60</b>	<b>25,4</b>	<b>90,0</b>	<b>78,47</b>	<b>11,</b>	<b>88,8</b>	<b>78,25</b>	<b>10,</b>	<b>21,1</b>	<b>21,28</b>	<b>-</b>
<b>3. Banking Capital</b>	<b>049</b>	<b>1</b>	<b>49</b>	<b>94</b>	<b>6</b>	<b>618</b>	<b>84</b>	<b>4</b>	<b>630</b>	<b>39</b>	<b>8</b>	<b>148</b>
of which: Non-Resident Deposits	87,7	48,85	38,8	63,2	49,20	14,	59,9	43,93	16,	11,5	10,19	1,3
	50	8	92	62	5	057	88	6	052	73	5	78
	<b>22,1</b>	<b>32,98</b>	<b>10,8</b>	<b>28,9</b>	<b>27,88</b>	<b>1,0</b>	<b>24,4</b>	<b>21,17</b>	<b>3,2</b>	<b>9,76</b>		<b>2,8</b>
<b>4. Other Capital*</b>	<b>71</b>	<b>4</b>	<b>13</b>	<b>14</b>	<b>6</b>	<b>28</b>	<b>19</b>	<b>7</b>	<b>42</b>	<b>1</b>	<b>6,931</b>	<b>30</b>
<b>Total Capital</b>	<b>511,</b>	<b>463,0</b>	<b>48,7</b>	<b>550,</b>	<b>461,6</b>	<b>89,</b>	<b>510,</b>	<b>468,9</b>	<b>41,</b>	<b>129,</b>	<b>122,0</b>	<b>7,1</b>
<b>Account (1 to 4)</b>	<b>823</b>	<b>35</b>	<b>87</b>	<b>919</b>	<b>33</b>	<b>286</b>	<b>058</b>	<b>30</b>	<b>128</b>	<b>155</b>	<b>50</b>	<b>04</b>

P: Preliminary. PR: Partially Revised. \*: Include Rupee Debt Service.

Source: Balance of Payments Statistics, RBI