

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, ECONOMICS & MANAGEMENT

IJR
C
M



A Monthly Double-Blind Peer Reviewed (Refereed/Juried) Open Access International e-Journal - Included in the International Serial Directories

Indexed & Listed at:

Ulrich's Periodicals Directory ©, ProQuest, U.S.A., EBSCO Publishing, U.S.A., Cabell's Directories of Publishing Opportunities, U.S.A.,

Open J-Gate, India (link of the same is duly available at Inlibnet of University Grants Commission (U.G.C.)),

The American Economic Association's electronic bibliography, EconLit, U.S.A.,

Index Copernicus Publishers Panel, Poland with IC Value of 5.09 & number of libraries all around the world.

Circulated all over the world & Google has verified that scholars of more than 4255 Cities in 176 countries/territories are visiting our journal on regular basis.

Ground Floor, Building No. 1041-C-1, Devi Bhawan Bazar, JAGADHRI – 135 003, Yamunanagar, Haryana, INDIA

<http://ijrcm.org.in/>

CONTENTS

Sr. No.	TITLE & NAME OF THE AUTHOR (S)	Page No.
1.	TRAINING EFFECTIVENESS EVALUATION AMONG TWO DRDO CADRES IN PROOF & EXPERIMENTAL ESTABLISHMENT <i>A K SANNIGRAHI</i>	1
2.	INDIA-SINGAPORE TRADE RELATIONS: MULTIPLE AGREEMENTS & TRADERS' DILEMMA <i>SWATI SHUKLA & DR. SANHITA ATHAWALE</i>	6
3.	COMPARATIVE STUDY ON NON PERFORMING ASSETS OF SELECTED BANKS: WITH SPECIAL REFERENCE OF ICICI BANK AND SBI BANK <i>DR. VAISHALI SHARMA & DR. REKHA LAKHOTIA</i>	10
4.	POLICY DEVELOPMENT FOR NEPALESE FINANCIAL SYSTEM AND ITS CHALLENGES <i>DR. TIRTHA KUMAR SHRESTHA</i>	13
5.	THE INVESTIGATION OF TOTAL QUALITY MANAGEMENT PRACTICES WITH SPECIAL REFERENCE TO SD PHARMACY <i>DR. JEEMON JOSEPH</i>	16
6.	A BRIEF OVERVIEW OF PHARMACEUTICAL MARKETING IN INDIA <i>MAHENDRASING G. RATHOD & DR. CHHAYA .S. SUKHDANE</i>	23
7.	THE EFFECT OF CUSTOMER SERVICE RECOVERY STRATEGIES ON CUSTOMER SATISFACTION AND LOYALTY IN ETHIOPIAN INSURANCE CORPORATION (EICO) <i>DR. GETIE ANDUALEM IMIRU</i>	27
8.	AN ANALYSIS OF CONSUMER BUYING BEHAVIOR: A CASE STUDY OF REAL ESTATE <i>TARANJIT SINGH VIJ, NAVDEEP SINGH & ARLEEN KAUR</i>	36
9.	THE HARYANA STATE CO-OPERATIVE APEX BANK (HARCO BANK): PERFORMANCE AND ACHIEVEMENTS <i>HARDEEP KAUR</i>	39
10.	ROLE OF NUCLEAR ENERGY IN INDIAN ECONOMY <i>DR. RAJESH GANGADHARRAO UMBARKAR</i>	43
11.	JOB SATISFACTION IN BANKING SECTOR: A STUDY OF PUBLIC AND PRIVATE SECTOR BANKS OF UTTARAKHAND <i>HARMEET KAUR</i>	47
12.	IMPACT OF TOTAL ASSETS AND NET INCOME ON RETURN ON EQUITY OF SMALL MEDIUM ENTERPRISES OF PAKISTAN <i>MOHSIN HASSAN ALVI & MIDRA IKRAM</i>	50
13.	IMPORTANCE OF FIVE YEAR PLANS & INDUSTRIAL POLICIES FOR THE DEVELOPMENT OF SMALL SCALE INDUSTRIES <i>G.RAMAKRISHNA & P. PURNACHANDRA RAO</i>	52
14.	EMPLOYEE PERCEPTION OF TRAINING & DEVELOPMENT PROGRAMS: A COMPARATIVE STUDY OF HDFC, ICICI & AXIS BANK <i>LOVLEEN KAUR & DR. AMBIKA BHATIA</i>	56
15.	TRENDS IN FOREIGN DIRECT INVESTMENT INFLOWS IN INDIA <i>T. ADILAKSHMI</i>	62
16.	RE CONSIDERING SPENCE: SIGNALLING AND THE ROLE OF EDUCATION <i>KAVITA</i>	65
17.	CUSTOMER PREFERENCE TOWARDS ORGANIZED BRANDED APPAREL RETAIL OUTLETS IN COIMBATORE CITY <i>B.ABIRAMI</i>	68
18.	FOOD SECURITY IN INDIA: A SYNOPTIC VIEW <i>RAMEEN DEVI</i>	72
19.	VENTURE CAPITAL IN INDIA: A REVIEW OF LITERATURE <i>RICHA GOEL</i>	80
20.	IMPORT-EXPORT DEMAND FUNCTIONS AND BALANCE OF PAYMENT STABILITY IN INDIA: A CO-INTEGRATION AND VECTOR ERROR CORRECTION MODEL (1974-75 TO 2012-13) <i>MUHAMMAD MUAAZU BALA</i>	88
	REQUEST FOR FEEDBACK & DISCLAIMER	95

CHIEF PATRON**PROF. K. K. AGGARWAL**

Chairman, Malaviya National Institute of Technology, Jaipur

(An institute of National Importance & fully funded by Ministry of Human Resource Development, Government of India)

Chancellor, K. R. Mangalam University, Gurgaon

Chancellor, Lingaya's University, Faridabad

Founder Vice-Chancellor (1998-2008), Guru Gobind Singh Indraprastha University, Delhi

Ex. Pro Vice-Chancellor, Guru Jambheshwar University, Hisar

FOUNDER PATRON**LATE SH. RAM BHAJAN AGGARWAL**

Former State Minister for Home & Tourism, Government of Haryana

Former Vice-President, Dadri Education Society, Charkhi Dadri

Former President, Chinar Syntex Ltd. (Textile Mills), Bhiwani

CO-ORDINATOR**DR. BHAVET**

Faculty, Shree Ram Institute of Business & Management, Urjani

ADVISORS**PROF. M. S. SENAM RAJU**

Director A. C. D., School of Management Studies, I.G.N.O.U., New Delhi

PROF. M. N. SHARMA

Chairman, M.B.A., Haryana College of Technology & Management, Kaithal

PROF. S. L. MAHANDRU

Principal (Retd.), Maharaja Agrasen College, Jagadhri

EDITOR**PROF. R. K. SHARMA**

Professor, Bharti Vidyapeeth University Institute of Management & Research, New Delhi

CO-EDITOR**DR. SAMBHAV GARG**

Faculty, Shree Ram Institute of Business & Management, Urjani

EDITORIAL ADVISORY BOARD**DR. RAJESH MODI**

Faculty, Yanbu Industrial College, Kingdom of Saudi Arabia

PROF. SIKANDER KUMAR

Chairman, Department of Economics, Himachal Pradesh University, Shimla, Himachal Pradesh

PROF. SANJIV MITTAL

University School of Management Studies, Guru Gobind Singh I. P. University, Delhi

PROF. RAJENDER GUPTA

Convener, Board of Studies in Economics, University of Jammu, Jammu

PROF. NAWAB ALI KHAN

Department of Commerce, Aligarh Muslim University, Aligarh, U.P.

PROF. S. P. TIWARI

Head, Department of Economics & Rural Development, Dr. Ram Manohar Lohia Avadh University, Faizabad

DR. ANIL CHANDHOK

Professor, Faculty of Management, Maharishi Markandeshwar University, Mullana, Ambala, Haryana

DR. ASHOK KUMAR CHAUHAN

Reader, Department of Economics, Kurukshetra University, Kurukshetra

DR. SAMBHAVNA

Faculty, I.I.T.M., Delhi

DR. MOHENDER KUMAR GUPTA

Associate Professor, P.J.L.N. Government College, Faridabad

DR. VIVEK CHAWLA

Associate Professor, Kurukshetra University, Kurukshetra

DR. SHIVAKUMAR DEENE

Asst. Professor, Dept. of Commerce, School of Business Studies, Central University of Karnataka, Gulbarga

ASSOCIATE EDITORS**PROF. ABHAY BANSAL**

Head, Department of Information Technology, Amity School of Engineering & Technology, Amity University, Noida

PARVEEN KHURANA

Associate Professor, Mukand Lal National College, Yamuna Nagar

SHASHI KHURANA

Associate Professor, S.M.S. Khalsa Lubana Girls College, Barara, Ambala

SUNIL KUMAR KARWASRA

Principal, Aakash College of Education, Chander Kalan, Tohana, Fatehabad

DR. VIKAS CHOUDHARY

Asst. Professor, N.I.T. (University), Kurukshetra

TECHNICAL ADVISOR**AMITA**

Faculty, Government M. S., Mohali

FINANCIAL ADVISORS**DICKIN GOYAL**

Advocate & Tax Adviser, Panchkula

NEENA

Investment Consultant, Chambaghat, Solan, Himachal Pradesh

LEGAL ADVISORS**JITENDER S. CHAHAL**

Advocate, Punjab & Haryana High Court, Chandigarh U.T.

CHANDER BHUSHAN SHARMA

Advocate & Consultant, District Courts, Yamunanagar at Jagadhri

SUPERINTENDENT**SURENDER KUMAR POONIA**

CALL FOR MANUSCRIPTS

We invite unpublished novel, original, empirical and high quality research work pertaining to recent developments & practices in the areas of Computer Science & Applications; Commerce; Business; Finance; Marketing; Human Resource Management; General Management; Banking; Economics; Tourism Administration & Management; Education; Law; Library & Information Science; Defence & Strategic Studies; Electronic Science; Corporate Governance; Industrial Relations; and emerging paradigms in allied subjects like Accounting; Accounting Information Systems; Accounting Theory & Practice; Auditing; Behavioral Accounting; Behavioral Economics; Corporate Finance; Cost Accounting; Econometrics; Economic Development; Economic History; Financial Institutions & Markets; Financial Services; Fiscal Policy; Government & Non Profit Accounting; Industrial Organization; International Economics & Trade; International Finance; Macro Economics; Micro Economics; Rural Economics; Co-operation; Demography; Development Planning; Development Studies; Applied Economics; Development Economics; Business Economics; Monetary Policy; Public Policy Economics; Real Estate; Regional Economics; Political Science; Continuing Education; Labour Welfare; Philosophy; Psychology; Sociology; Tax Accounting; Advertising & Promotion Management; Management Information Systems (MIS); Business Law; Public Responsibility & Ethics; Communication; Direct Marketing; E-Commerce; Global Business; Health Care Administration; Labour Relations & Human Resource Management; Marketing Research; Marketing Theory & Applications; Non-Profit Organizations; Office Administration/Management; Operations Research/Statistics; Organizational Behavior & Theory; Organizational Development; Production/Operations; International Relations; Human Rights & Duties; Public Administration; Population Studies; Purchasing/Materials Management; Retailing; Sales/Selling; Services; Small Business Entrepreneurship; Strategic Management Policy; Technology/Innovation; Tourism & Hospitality; Transportation Distribution; Algorithms; Artificial Intelligence; Compilers & Translation; Computer Aided Design (CAD); Computer Aided Manufacturing; Computer Graphics; Computer Organization & Architecture; Database Structures & Systems; Discrete Structures; Internet; Management Information Systems; Modeling & Simulation; Neural Systems/Neural Networks; Numerical Analysis/Scientific Computing; Object Oriented Programming; Operating Systems; Programming Languages; Robotics; Symbolic & Formal Logic; Web Design and emerging paradigms in allied subjects.

Anybody can submit the **soft copy** of unpublished novel; original; empirical and high quality **research work/manuscript** **anytime** in **M.S. Word format** after preparing the same as per our **GUIDELINES FOR SUBMISSION**; at our email address i.e. infoijrcm@gmail.com or online by clicking the link **online submission** as given on our website ([FOR ONLINE SUBMISSION, CLICK HERE](#)).

GUIDELINES FOR SUBMISSION OF MANUSCRIPT

1. **COVERING LETTER FOR SUBMISSION:**

DATED: _____

THE EDITOR
IJRCM

Subject: SUBMISSION OF MANUSCRIPT IN THE AREA OF _____.

(e.g. Finance/Marketing/HRM/General Management/Economics/Psychology/Law/Computer/IT/Education/Engineering/Mathematics/other, **please specify**)

DEAR SIR/MADAM

Please find my submission of manuscript entitled ' _____ ' for possible publication in your journals.

I hereby affirm that the contents of this manuscript are original. Furthermore, it has neither been published elsewhere in any language fully or partly, nor is it under review for publication elsewhere.

I affirm that all the authors have seen and agreed to the submitted version of the manuscript and their inclusion of names as co-authors.

Also, if my/our manuscript is accepted, I/We agree to comply with the formalities as given on the website of the journal & you are free to publish our contribution in any of your journals.

NAME OF CORRESPONDING AUTHOR

Designation :
Institution/College/University with full address & Pin Code :
Residential address with Pin Code :
Mobile Number (s) with country ISD code :
WhatsApp or Viber is active on your above noted Mobile Number (Yes/No) :
Landline Number (s) with country ISD code :
E-mail Address :
Alternate E-mail Address :
Nationality :

NOTES:

- a) The whole manuscript is required to be in **ONE MS WORD FILE** only (pdf. version is liable to be rejected without any consideration), which will start from the covering letter, inside the manuscript.
- b) The sender is required to mention the following in the **SUBJECT COLUMN** of the mail:
New Manuscript for Review in the area of (Finance/Marketing/HRM/General Management/Economics/Psychology/Law/Computer/IT/Engineering/Mathematics/other, please specify)
- c) There is no need to give any text in the body of mail, except the cases where the author wishes to give any specific message w.r.t. to the manuscript.
- d) The total size of the file containing the manuscript is required to be below **500 KB**.
- e) Abstract alone will not be considered for review, and the author is required to submit the complete manuscript in the first instance.
- f) The journal gives acknowledgement w.r.t. the receipt of every email and in case of non-receipt of acknowledgment from the journal, w.r.t. the submission of manuscript, within two days of submission, the corresponding author is required to demand for the same by sending separate mail to the journal.
- g) The author (s) name or details should not appear anywhere on the body of the manuscript, except the covering letter and cover page of the manuscript, in the manner as mentioned in the guidelines.

2. **MANUSCRIPT TITLE:** The title of the paper should be in a 12 point Calibri Font. It should be bold typed, centered and fully capitalised.

3. **AUTHOR NAME (S) & AFFILIATIONS:** The author (s) **full name, designation, affiliation (s), address, mobile/landline numbers**, and **email/alternate email address** should be in italic & 11-point Calibri Font. It must be centered underneath the title.

4. **ACKNOWLEDGMENTS:** Acknowledgements can be given to reviewers, funding institutions, etc., if any.

5. **ABSTRACT:** Abstract should be in fully italicized text, not exceeding 250 words. The abstract must be informative and explain the background, aims, methods, results & conclusion in a single para. Abbreviations must be mentioned in full.
6. **JEL CODE:** Provide the appropriate Journal of Economic Literature Classification System code (s). JEL codes are available at www.aeaweb.org/econlit/jelCodes.php
7. **KEYWORDS:** JEL Code must be followed by a list of keywords, subject to the maximum of five. These should be arranged in alphabetic order separated by commas and full stops at the end.
8. **MANUSCRIPT:** Manuscript must be in **BRITISH ENGLISH** prepared on a standard A4 size **PORTRAIT SETTING PAPER**. It must be prepared on a single space and single column with 1" margin set for top, bottom, left and right. It should be typed in 8 point Calibri Font with page numbers at the bottom and centre of every page. **It should be free from grammatical, spelling and punctuation errors and must be thoroughly edited.**
9. **HEADINGS:** All the headings should be in a 10 point Calibri Font. These must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.
10. **SUB-HEADINGS:** All the sub-headings should be in a 8 point Calibri Font. These must be bold-faced, aligned left and fully capitalised.
11. **MAIN TEXT:** The main text should follow the following sequence:
 - INTRODUCTION
 - REVIEW OF LITERATURE
 - NEED/IMPORTANCE OF THE STUDY
 - STATEMENT OF THE PROBLEM
 - OBJECTIVES
 - HYPOTHESES
 - RESEARCH METHODOLOGY
 - RESULTS & DISCUSSION
 - FINDINGS
 - RECOMMENDATIONS/SUGGESTIONS
 - CONCLUSIONS
 - LIMITATIONS
 - SCOPE FOR FURTHER RESEARCH
 - REFERENCES
 - APPENDIX/ANNEXURE**It should be in a 8 point Calibri Font, single spaced and justified. The manuscript should preferably not exceed 5000 WORDS**
12. **FIGURES & TABLES:** These should be simple, crystal clear, centered, separately numbered & self explained, and **titles must be above the table/figure. Sources of data should be mentioned below the table/figure.** It should be ensured that the tables/figures are referred to from the main text.
13. **EQUATIONS/FORMULAE:** These should be consecutively numbered in parentheses, horizontally centered with equation/formulae number placed at the right. The equation editor provided with standard versions of Microsoft Word should be utilized. If any other equation editor is utilized, author must confirm that these equations may be viewed and edited in versions of Microsoft Office that do not have the editor.
14. **ACRONYMS:** These should not be used in the abstract. The use of acronyms is elsewhere is acceptable. Acronyms should be defined on first use in each section: Reserve Bank of India (RBI). Acronyms should be redefined on first use in subsequent sections.
15. **REFERENCES:** The list of all references should be alphabetically arranged. The author (s) should mention only the actually utilised references in the preparation of manuscript and they are supposed to follow **Harvard Style of Referencing**. Also check to make sure that everything that you are including in the reference section is cited in the paper. The author (s) are supposed to follow the references as per the following:
 - All works cited in the text (including sources for tables and figures) should be listed alphabetically.
 - Use (ed.) for one editor, and (ed.s) for multiple editors.
 - When listing two or more works by one author, use --- (20xx), such as after Kohl (1997), use --- (2001), etc, in chronologically ascending order.
 - Indicate (opening and closing) page numbers for articles in journals and for chapters in books.
 - The title of books and journals should be in italics. Double quotation marks are used for titles of journal articles, book chapters, dissertations, reports, working papers, unpublished material, etc.
 - For titles in a language other than English, provide an English translation in parentheses.
 - Headers, footers, endnotes and footnotes may not be used in the document, but in short succinct notes making a specific point, may be placed in number orders following the references.

PLEASE USE THE FOLLOWING FOR STYLE AND PUNCTUATION IN REFERENCES:

- BOOKS**
- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.
 - Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio" Ohio State University, Nigeria.
- CONTRIBUTIONS TO BOOKS**
- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.
- JOURNAL AND OTHER ARTICLES**
- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.
- CONFERENCE PAPERS**
- Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19-23
- UNPUBLISHED DISSERTATIONS**
- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.
- ONLINE RESOURCES**
- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.
- WEBSITES**
- Garg, Bhavet (2011): Towards a New Natural Gas Policy, Political Weekly, Viewed on January 01, 2012 <http://epw.in/user/viewabstract.jsp>

TRENDS IN FOREIGN DIRECT INVESTMENT INFLOWS IN INDIA

T. ADILAKSHMI
LECTURER IN ECONOMICS
GOVERNMENT DEGREE COLLEGE
TUNI

ABSTRACT

With the initiation of new economic policy in 1991 and subsequent reforms process, India has witnessed a change in the flow and direction of foreign direct investment (FDI) into the country. This is mainly due to the removal of restrictive and regulated practices. Foreign direct investment in India increased from US \$ 129 million in 1991-92 to US \$ 6051 million in March, 2005, and to US\$ 36,860 million in 2012-13. However, the country is far behind in comparison to some of the developing countries like China. In so far as growth trend of FDI is concerned, there has been quite impressive growth of FDI inflow into the country during this period. However, negative growth rate is noticed during the period 1998-2000 primarily due to falling share of major investor countries, steep fall of approval by 55.7% in 1998 compared to 1997 and slackening of fresh equity. However, traditional industrial sectors like food processing industries, textiles, etc. which were once important sectors attracting larger FDI, have given way to modern industrial sectors like electronics and electrical equipments, etc. This paper analyzes the FDI flows in the country as a percent of total foreign investment inflows.

KEYWORDS

Economic growth, FDI, Capital, Financial markets, reforms.

INTRODUCTION

If a backward and underdeveloped country is interested in rapid economic development, it will have to import machinery, technical knowhow, spare parts and even raw materials. Here it worth to mention the statement quote by A.K. Cairncross - "It is not possible to buy development so cheaply. The provision of foreign capital may yield a more adequate infrastructure but rarely by itself generates rapid development unless there are already large investments opportunities going a-begging". for this purpose all developing nations accepted FDI as a sole visible panacea for all their scarcities. Further, the integration of global financial markets paves ways to this explosive growth of FDI around the globe.

One of the most striking developments during the last two decades is the spectacular growth of FDI in the global economic landscape. This unprecedented growth of global FDI in 1990 around the world make FDI an important and vital component of development strategy in both developed and developing nations and policies are designed in order to stimulate inward flows. In fact, FDI provides a win – win situation to the host and the home countries. Both countries are directly interested in inviting FDI, because they benefit a lot from such type of investment. The 'home' countries want to take the advantage of the vast markets opened by industrial growth. On the other hand the 'host' countries want to acquire technological and managerial skills and supplement domestic Savings and foreign exchange. India has recognized FDI as an important driver for economic growth and development and has introduced a new industrial policy- 1991, which allowed 51% automatic approval for foreign investment in 34 industries.

AN OVER VIEW OF FDI IN INDIA

The historical background of FDI in India can be traced back with the establishment of East India Company. British capital came to India during the colonial era of Britain in India. After Second World War, Japanese companies entered Indian market and enhanced their trade with India, yet U.K. remained the most dominant investor in India.

Further, after Independence issues relating to foreign capital, operations of MNCs, gained attention of the policy makers. Keeping in mind the national interests the policy makers designed the FDI policy which aims FDI as a medium for acquiring advanced technology and to mobilize foreign exchange resources. With time and as per economic and political regimes there have been changes in the FDI policy too. The industrial policy of 1965, allowed MNCs to venture through technical collaboration in India. Therefore, the government adopted a liberal attitude by allowing more frequent equity participation to foreign enterprises, and to accept equity capital in technical collaborations. But due to Significant outflow of foreign reserves in the form of remittances of dividends, profits, royalties etc, and the government has to adopt stringent foreign policy in 1970s. During this period the government adopted a selective and highly restrictive foreign policy as far as foreign capital, type of FDI and ownerships of foreign companies was concerned.

Government setup Foreign Investment Board and enacted Foreign Exchange Regulation Act in order to regulate flow of foreign capital and FDI flow to India. The soaring oil prices continued low exports and deterioration in Balance of Payment position during 1980s forced the government to make necessary changes in the foreign policy. This brings partial liberalization in Indian Economy. The government introduces reforms in the industrial sector and announced New Industrial Policy 1991, with an aim of competency, efficiency and growth in industry through a stable, pragmatic and non-discriminatory policy for FDI inflow.

SIGNIFICANCE OF THE STUDY

The period under study is important for a variety of reasons.

1. First of all, it was during July 1991 India opened its doors to private sector and liberalized its economy.
2. The experiences of South-East Asian countries by liberalizing their economies in 1980s became stars of economic growth and development in early 1990s.
3. India's experience with its first generation economic reforms and the country's economic growth performance were considered safe havens for FDI which led to second generation of economic reforms in India in first decade of this century.
4. There is a considerable change in the attitude of both the developing and developed countries towards FDI. They both consider FDI as the most suitable form of external finance.
- 5) Increase in competition for FDI inflows particularly among the developing nations. The study is appropriate in understanding inflows during 1991- 2013.

STATEMENT OF THE PROBLEM

Since 1991 India recognized significant role of FDI in the economic development of the Indian Economy and opened the gates to private sector and invited large amount of foreign direct investment in different Indian industries. Hence, the present study tries to discuss the FDI trends in India.

OBJECTIVES

The objectives of the present paper are,

- ❖ To study the trend in FDI inflows in India.
- ❖ To study the FDI inflows as a percentage of total foreign investment inflows.

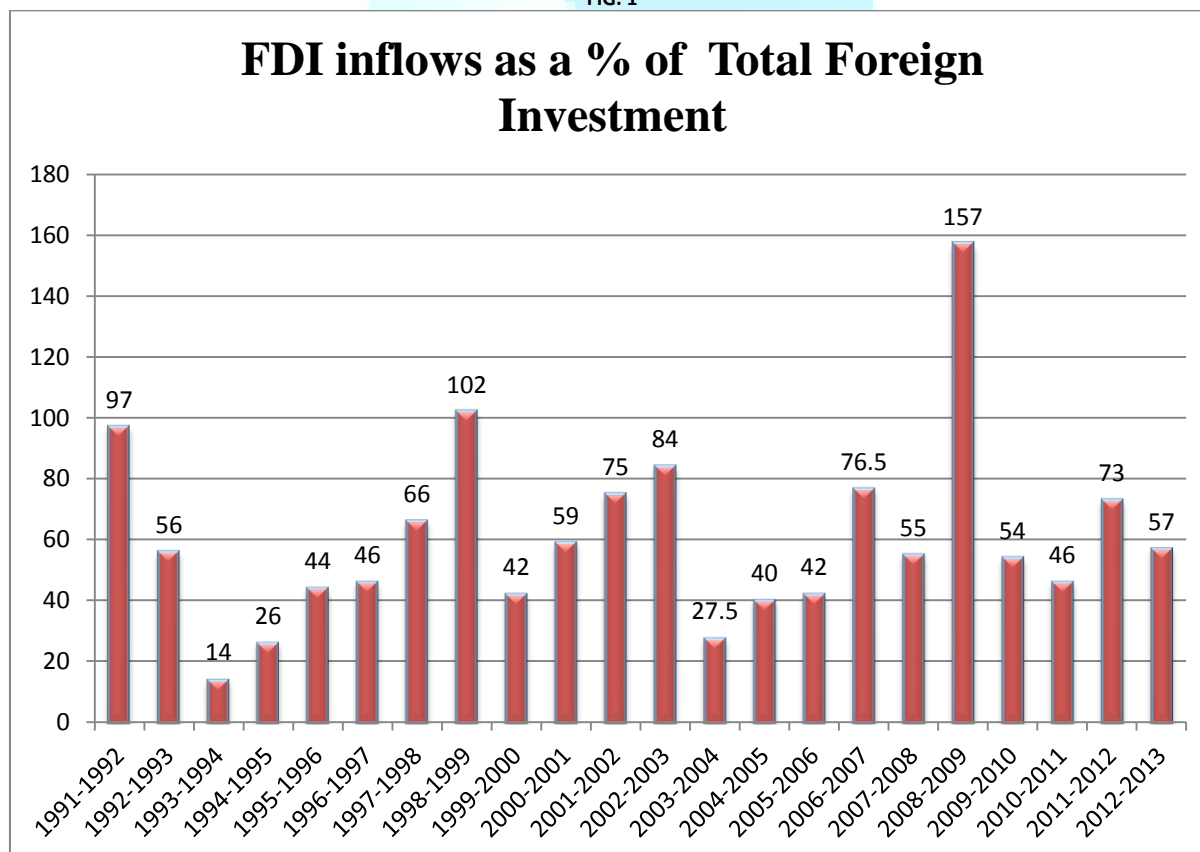
METHODOLOGY

This study is based on secondary data. The required data have been collected from various sources i.e., various Bulletins Reserve Bank of India, publications from Ministry of Commerce, Govt. of India, Economic Survey, and various research papers published standard journals for the period 1992-2013. This paper used analytical tools like simple arithmetic percentages and averages to find out the trend in FDI inflows in India.

FDI FLOWS IN INDIA**TABLE 1: FDI FLOWS IN INDIA (in US \$ million)**

Year	Foreign Direct Investment	Total Foreign Investment	FDI as a % of Total Foreign Investment
1991-1992	129	133	97
1992-1993	315	559	56
1993-1994	586	4153	14
1994-1995	1314	5138	26
1995-1996	2144	4892	44
1996-1997	284	6133	46
1997-1998	3557	5385	66
1998-1999	2462	2401	102
1999-2000	2155	5181	42
2000-2001	4029	6789	59
2001-2002	6130	8151	75
2002-2003	5035	6014	84
2003-2004	4322	15699	27.5
2004-2005	6051	15366	40
2005-2006	8961	21453	42
2006-2007	22826	29829	76.5
2007-2008	34335	62106	55
2008-2009	37838	23983	157
2009-2010	37763	70139	54
2010-2011	27024	58495	46
2011-2012	46553	63724	73
2012-2013	36860	64630	57
Total	270195(59.1%)	456858(100%)	59.1

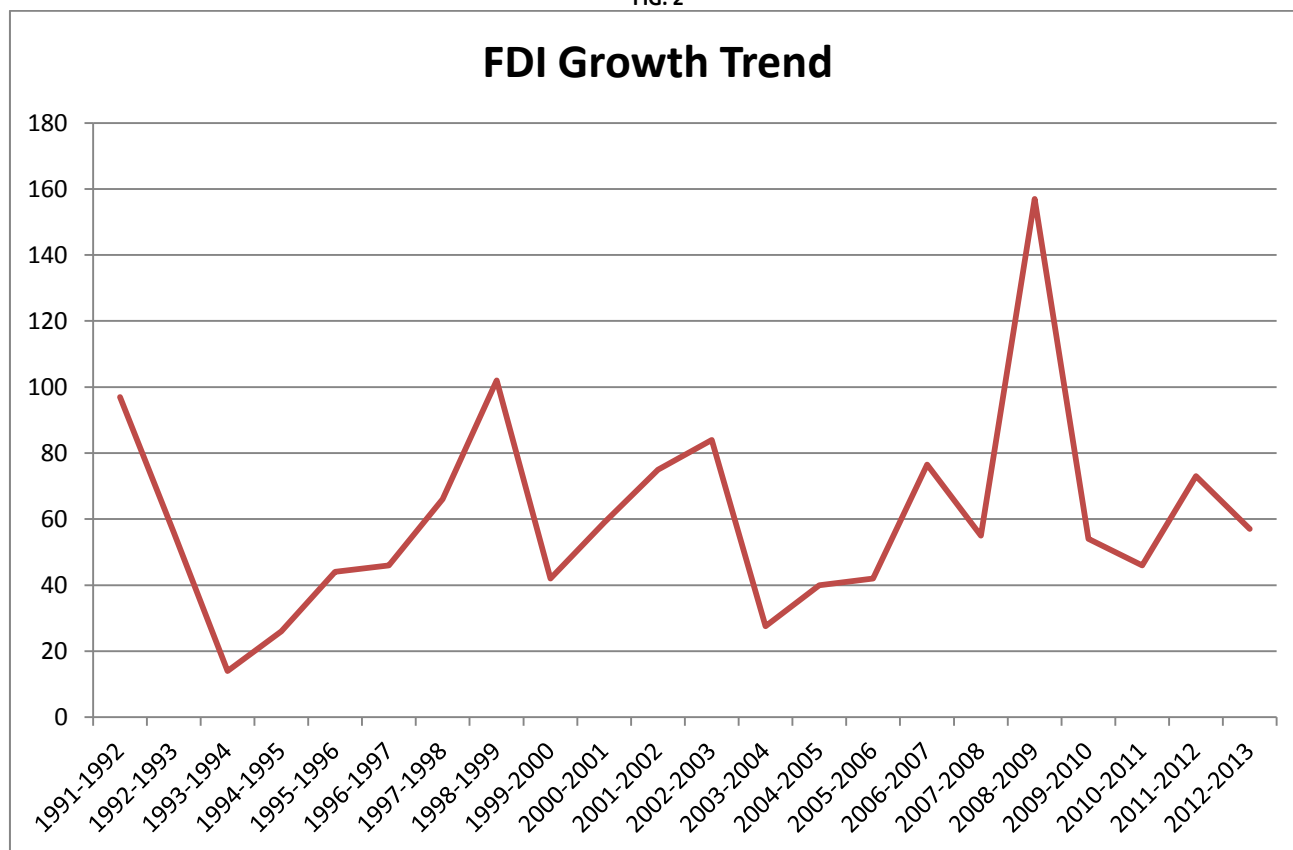
(Economic Survey-2013)

FIG. 1

After announcement of New Industrial Policy (1991), there has been an acceleration in the flow of foreign capital in India. As per data provided by the government of India in economic survey -2013, during 1991-92 to 2012-13, total foreign investment flows were of the order of \$ 546.9 billion, out of which about \$ 270.2 billion (59.1%) were in the form of FDI and remaining \$186.7 billion (40.9%) were in the form of portfolio investment. This data clearly shows that the preference of the foreign firm was more in favour of portfolio investment. In 1991-92 the FDI inflows were about US \$ 129 million (i.e., 57% of total foreign investment inflows) which were increased to US \$ 36,860 million in 2013 (i.e., 57% of total foreign investment inflows). That means the cumulative FDI inflows were increased from US \$ 129 million in 1991-1992 to US \$ 2, 70,195 million in 2012-2013.

The foreign direct investment inflows trend has been depicted in this paper shows that there is an increasing tendency in FDI inflows but which is not sufficient for the economic development of Indian economy because the approved amount of FDI inflows are larger than the actual FDI inflows.

FIG. 2



CONCLUSION

Even though global economies are suffering with financial crisis and other economic hurdles, India still stands as a global investment destination. Keeping in view of current requirements and benefits of the nation the government of India comes up with new policies from time to time to increase the foreign direct investment inflows. Because FDI plays a crucial role in enhancing the level of economic growth in the country and also it helps in increasing the trade in the international market, as well as increasing in the exchange rate and foreign exchange reserves of the of hosting country .

REFERENCES

1. Dutt and Sundaram Indian Economy; 69th revised edition.
2. Economic Survey; Government of India.
3. Reserve Bank of India bulliton.
4. Trends and Patterns of FDI in India and its Economic Growth ;Asian Journal of Research in Business Economics and Management Vol.2 Issue 4, April 2012, ISSN 2249 7307.

REQUEST FOR FEEDBACK

Dear Readers

At the very outset, International Journal of Research in Commerce, Economics & Management (IJRCM) acknowledges & appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to request you to supply your critical comments and suggestions about the material published in this issue as well as on the journal as a whole, on our E-mail infoijrcm@gmail.com for further improvements in the interest of research.

If you have any queries please feel free to contact us on our E-mail infoijrcm@gmail.com.

I am sure that your feedback and deliberations would make future issues better – a result of our joint effort.

Looking forward an appropriate consideration.

With sincere regards

Thanking you profoundly

Academically yours

Sd/-
Co-ordinator

DISCLAIMER

The information and opinions presented in the Journal reflect the views of the authors and not of the Journal or its Editorial Board or the Publishers/Editors. Publication does not constitute endorsement by the journal. Neither the Journal nor its publishers/Editors/Editorial Board nor anyone else involved in creating, producing or delivering the journal or the materials contained therein, assumes any liability or responsibility for the accuracy, completeness, or usefulness of any information provided in the journal, nor shall they be liable for any direct, indirect, incidental, special, consequential or punitive damages arising out of the use of information/material contained in the journal. The journal, nor its publishers/Editors/Editorial Board, nor any other party involved in the preparation of material contained in the journal represents or warrants that the information contained herein is in every respect accurate or complete, and they are not responsible for any errors or omissions or for the results obtained from the use of such material. Readers are encouraged to confirm the information contained herein with other sources. The responsibility of the contents and the opinions expressed in this journal is exclusively of the author (s) concerned.

ABOUT THE JOURNAL

In this age of Commerce, Economics, Computer, I.T. & Management and cut throat competition, a group of intellectuals felt the need to have some platform, where young and budding managers and academicians could express their views and discuss the problems among their peers. This journal was conceived with this noble intention in view. This journal has been introduced to give an opportunity for expressing refined and innovative ideas in this field. It is our humble endeavour to provide a springboard to the upcoming specialists and give a chance to know about the latest in the sphere of research and knowledge. We have taken a small step and we hope that with the active co-operation of like-minded scholars, we shall be able to serve the society with our humble efforts.

Our Other Journals

