



**Linking Trade and Business Statistics in India:
Compilation of Foreign Affiliates Trade Statistics (FATS)**

Regional Seminar on International Trade Statistics

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Information on Foreign Technical / Financial Collaboration of Indian Companies

- The Reserve Bank of India instituted the **Survey on Foreign Collaboration in Indian Industry (FCS)** in 1965, with the object of collecting information on the operations of Indian companies having foreign participation in equity capital and technical collaboration with foreign companies.
- With more details on foreign liabilities / assets for Direct investment companies being collected in the modified **Annual Return on Foreign Liabilities and Assets (FLA) on census basis**, FCS now focuses on getting details of technical collaboration with foreign companies.



FCS Results – I

Distribution of Agreements according to Type of Assets Transferred (% of total)

Asset transferred	2007-10 Round	2010-12 Round
Know-how	38.1	45.8
Trademark/ Brand Name	15.0	9.0
Patent	3.1	1.5
Others	43.8	43.7
Total	100.0	100.0

Distribution of Agreements according to Mode of Payment (% of total)

Asset transferred	2007-10 Round	2010-12 Round
Royalty	26.3	30.4
Lump-sum technical fees	28.7	27.2
Both Royalty and Lump-sum technical fees	45.0	42.4
Total	100.0	100.0



FCS Results – II

% of Agreements with Export Restrictive Clauses	
A. Agriculture-related, Plantations & Allied activities	0.0
B. Mining and quarrying	-
C. Manufacturing	35.9
D. Electricity, gas, steam and air conditioning supply	0.0
E. Water supply; sewerage, waste mgt. & remediation activities	0.0
F. Construction	20.0
G. Services	7.8
Total	27.5

Profitability Ratio of FTC Companies	
Year	Average Profitability Ratio (gross profit to the capital %)
2007-2010 round	11.3
2010-2012 round	10.0



Compilation of FATS for India

- FATS measures the commercial presence abroad by selling goods or services through foreign affiliates in the local economy. While main focus of FLA census is on FDI which involves monetary value of investment flows and stocks in companies where foreign investor has lasting interest, FATS relates to economic activity of companies, where foreign investor has majority stake.
- 7,528 of the 13,291 companies that reported in FLA census 2012-13 were foreign subsidiaries and they had 94.3 per cent FDI share in total equity in March 2013.
- Some of these companies did not report sale / purchase / export / import, as they could be at incipient stage or due to some other reasons.
- Exports amounted to 30.6 per cent of total sales whereas imports accounted for 44.1 per cent of total purchase of these companies.
- Outwards FATS data are being compiled (for the first time) for 2013-14.



Annual Census of India's Foreign Liabilities & Assets

Mainly Used for submission to IMF on Co-ordinated Direct Investment Survey (CDIS):
Counterparty country-wise direct investment (Debt/Equity) at market prices (*Summary results in Feb.2014 Bulletin: Details on website: cdis.imf.org*)

Schedule Outline

Identification Particulars

- Nature of Business
- Paid up Capital (incl Non-Residents' Equity holding)
- Free Reserves & Surplus and Retained Profits

Foreign Liabilities

- Details of non-resident investor and equity holding for FDI in India
- Portfolio and other liabilities to non-residents (i.e. position with unrelated parties)

Foreign Assets

- Direct Investment Abroad under ODI Scheme
- Portfolio and other Assets Abroad (i.e. position with unrelated parties)
- Equity Capital, Free Reserves & Surplus of Direct Investment Enterprise Abroad

Other Information

- Contingent Foreign Liabilities
- FATS – Sales, Purchase, Export, Import (in case Foreign Equity >50%)
- Employees in the Reporting Companies
- Subsidiaries in India (including equity holding and retained profits for latest year)



Information Collected on FATS in FLA

Inwards FATS

(To be filled in by company where single foreign direct investor holding is more than 50% in total equity (i.e. if reporting Indian company is subsidiary of foreign company).

Item	Amount	
	Previous Year	Latest Year
1 Domestic Sales		
2 Exports		
3 Total Sales (= 1+ 2)		
4 Domestic purchases		
5 Imports		
6 Total Purchases (= 4 + 5)		

Outward FATS

(Imports, Exports, Total Sales and Total Purchase of Direct Investment Enterprise (DIE) Abroad (more than 50% equity holding by Indian reporting company): *Amount to be provided in foreign currency*

Name of the DIE	Item	Currency	Amount in Foreign Currency actual (During the year)	
			Previous Year	Latest Year
	1 Total Sales			
	1.1 of which Exports			
	2 Total Purchases			
	2.1 of which Imports			



Activity-wise Sales of 7,528 Subsidiary Companies of the 13,291 companies with Inward FDI

Amount in ₹ billion

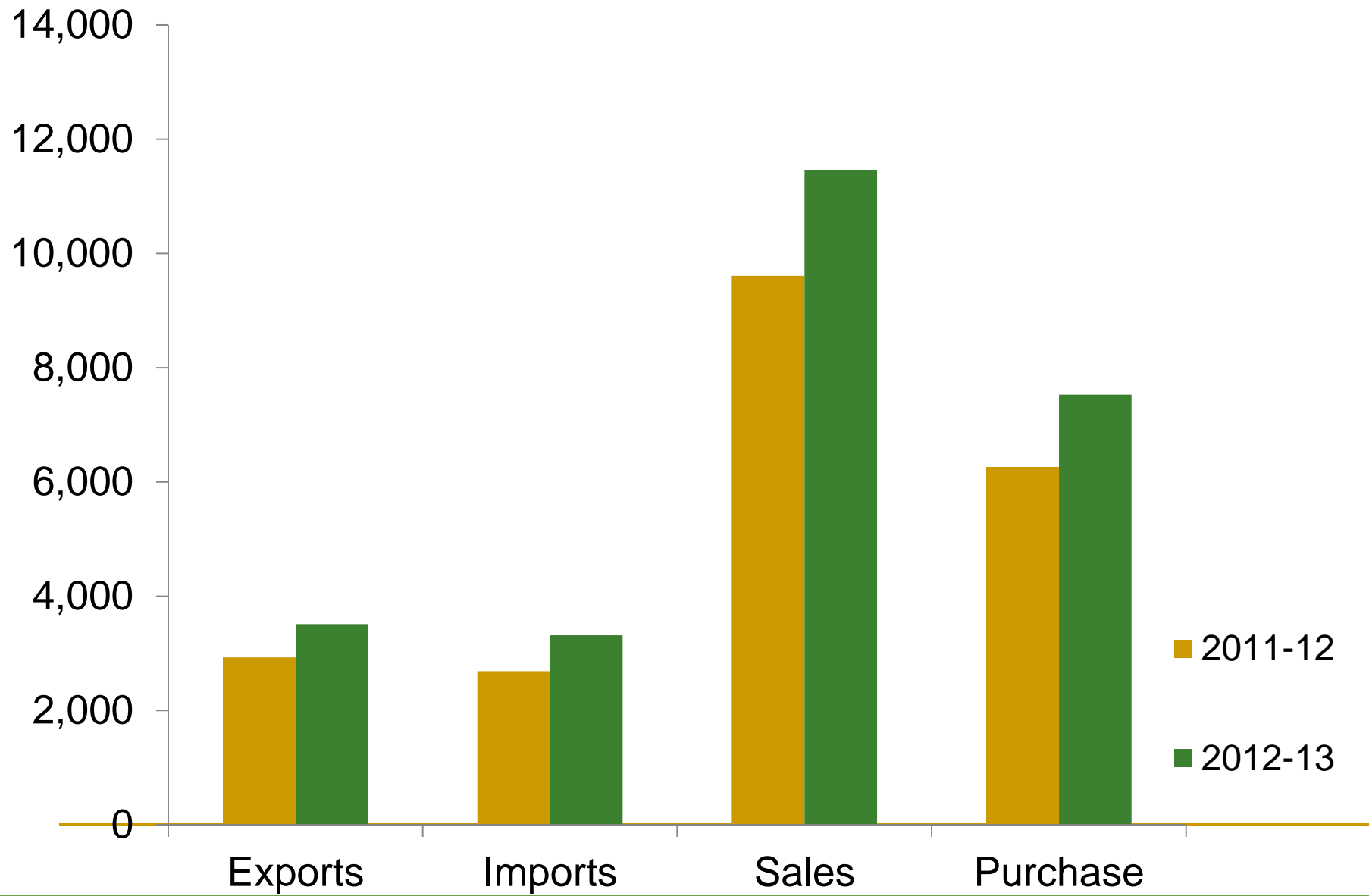
Activity	No. of Companies	Sales		% Share in Total (2012-13)
		2011-12	2012-13	
A. Agriculture-related, Plantations & Allied activities	20	35.3	43.7	0.5
B. Mining	34	129.7	148.3	1.3
C. Manufacturing	1,762	6,123.2	7,307.7	63.7
D. Electricity, gas, steam and air conditioning supply	56	62.7	72.0	0.6
E. Water supply; sewerage, waste management & remediation activities	30	7.8	9.9	0.1
F. Construction	150	217.4	223.1	2.0
G. Services	4,092	3,030.1	3,659.2	31.9
Total	6,144*	9,606.2	11,463.9	100.0

INDUSTRY	No. of Companies	% Share in Total	SERVICES SECTOR		
			No. of Companies	% Share in Total	
1. Food products	72	3.5	1. Wholesale and retail trade; repair of motor vehicles and motorcycles	641	8.3
2. Beverages	10	0.9	2. Transportation and storage	139	1.3
3. Tobacco products	0	0.0	3. Accommodation and Food service activities	80	0.2
4. Textiles	26	0.3	4. Information and communication	1,548	16.8
5. Wearing Apparel	13	0.1	5. Financial and insurance activities	238	1.1
6. Leather and related products	5	0.2	6. Real estate activities	31	0.1
7. Wood and wood products, except furniture; manufacture of articles of straw and plaiting materials	5	0.0	7. Other Services activities	1,415	4.1
8. Manufacture of paper and paper products	16	0.5			
9. Printing and reproduction of recorded media	6	0.0			
10. Coke and refined petroleum products	9	8.1			
11. Chemicals and chemical products	134	3.4			
12. Pharmaceuticals, medicinal and chemical products	96	2.4			
13. Rubber and plastics products	72	0.9			
14. Other non-metallic mineral products	22	1.0			
15. Basic metals	21	2.8			
16. Fabricated metal products, except machinery and equipment	58	0.2			
17. Computer, electronic and optical products	48	7.0			
18. Electrical equipment	119	4.2			
19. Machinery and equipment n.e.c.	299	4.1			
20. Other manufacturing	731	24.1			

* Of the 13,291 companies, 7528 companies were subsidiary companies, of which 6,144 reported sales

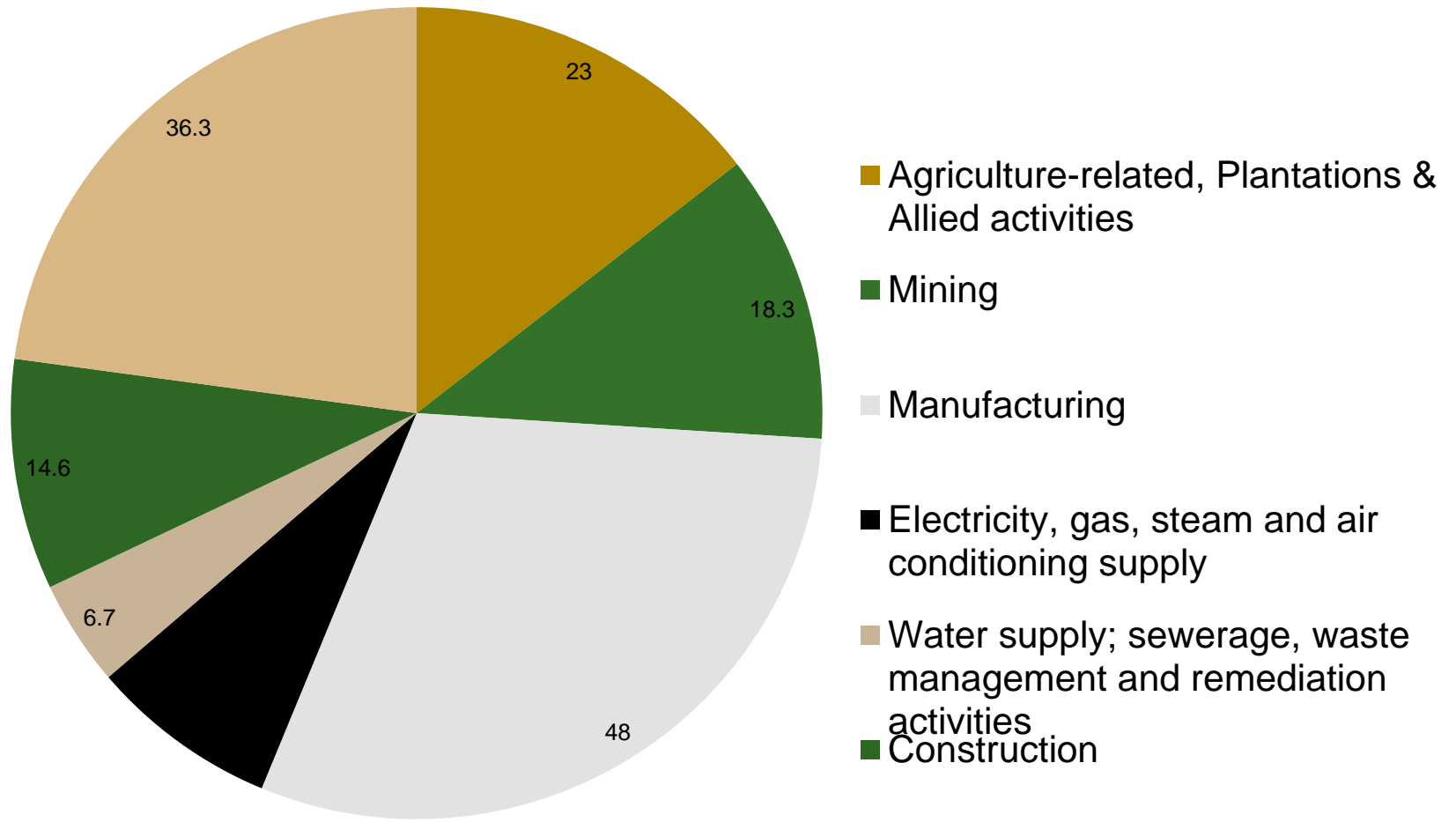


India's FATS Statistics (Rs. Billion)





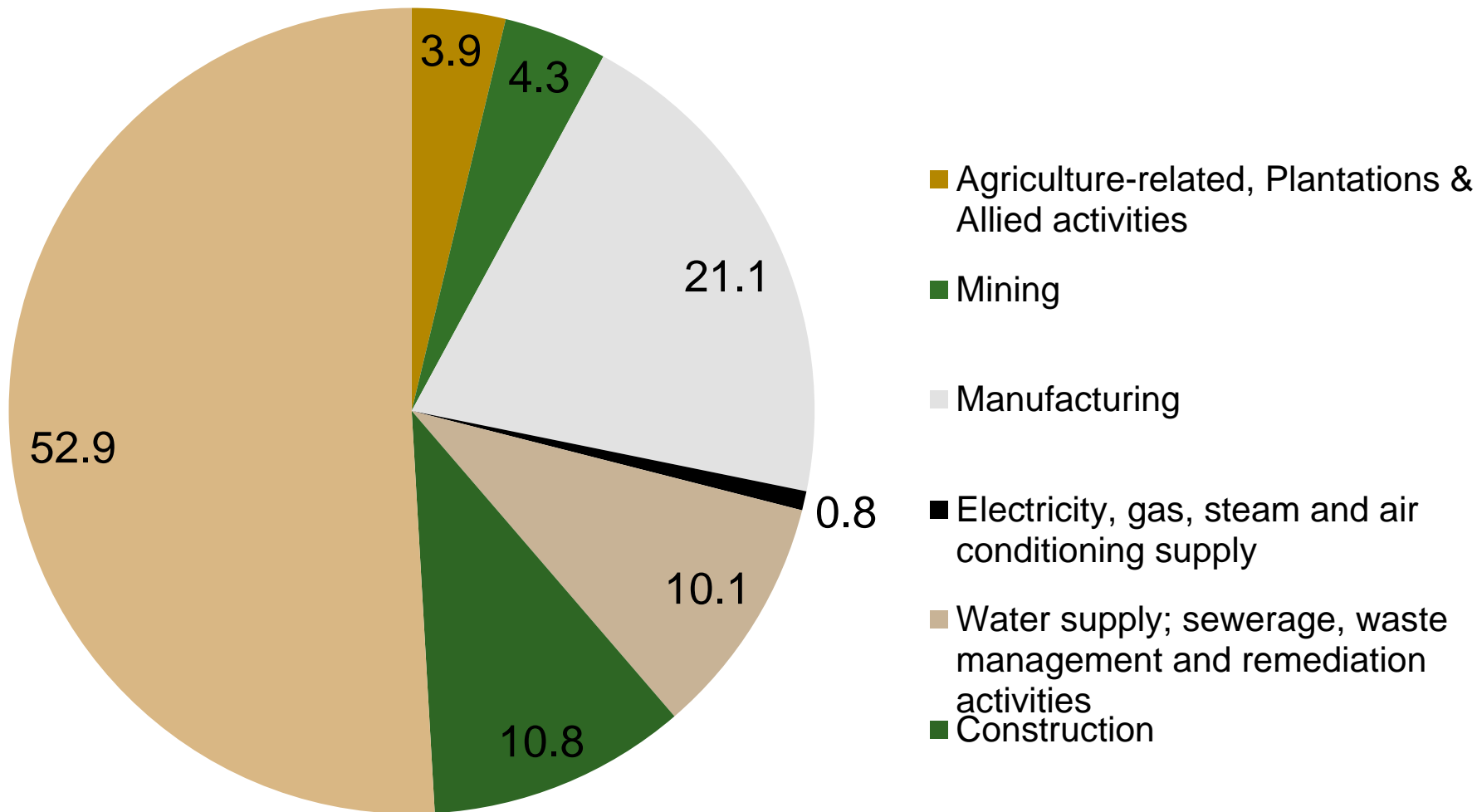
Sector-wise Imports of India (per cent)





Sector-wise Exports of India

(per cent)





Activity-wise Export and Import of 7,528 Subsidiary Companies during 2012-13

Activity	Amount (₹ billion)		Share (per cent)	
	Export	Import	Export in Sales	Import in Purchase
A. Agriculture-related, Plantations & Allied activities	1.7	6.3	3.9	23
B. Mining	6.4	16.6	4.3	18.3
C. Manufacturing	1,539.6	2,642.70	21.1	48.0
of which:				
Food products	80.2	63.1	20.0	23.5
Coke and refined petroleum products	312.3	706.5	33.5	79.1
Chemicals and chemical products	84.9	115.3	21.6	51.3
Pharmaceuticals, medicinal and chemical products	91.5	82.3	33.4	52.5
Basic metals	39.8	186.4	12.4	52.7
Computer, electronic and optical products	190.1	492	23.8	79.4
Electrical equipment	90.4	146.9	18.7	38.8
Machinery and equipment n.e.c.	115.9	97.9	24.8	33.2
D. Electricity, gas, steam and air conditioning supply	0.6	6.3	0.8	11.9
E. Water supply, sewerage, waste mgt. and remediation activities	1.0	0.3	10.1	6.7
F. Construction	24.1	18.5	10.8	14.6
G. Services	1,936.1	625.3	52.9	36.3
of which:				
Wholesale and retail trade; repair of motor vehicles & motorcycles	116.6	395.2	12.3	47
Transportation and storage	50.7	19.5	33.8	25.9
Information and communication	1510	160.5	78.6	30.6
Financial and insurance activities	61.1	5.0	47	11.5
Total	3,509.50	3,316.00	30.6	44.1

* Of the 7,528 subsidiary companies, 4,470 reported export.



Integrated Economic Statistics

- Trade Statistics
 - Trade figures, e.g. geographic location, goods for trading, mode of trading, trading partner
- Business Statistics
 - Business characteristics such as size, employment, economic activities
- FATS Statistics
 - FATS data from foreign subsidiaries on inward and outward activity of foreign affiliates, for measuring commercial presence

Better information base to aid analysis of cross-border economic activity.



Thank You !

