**Abstract**

The objective of forming the SAARC and ASEAN countries is to accelerate the economic growth. Though several measures have been taken to promote the growth of SAARC and ASEAN nations, it has not reached the expectations. The main aim of this paper is to investigate the inflow and outflow of FDI of SAARC and ASEAN countries. In addition to this, the Indian outward FDI in the form of wholly owned subsidiaries to the SAARC and ASEAN nations have also been analyzed.