

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:1715

ANSWERED ON:08.08.2006

INVESTMENT BY MNC IN INDUSTRIAL SECTOR

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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) the details of the industries in which foreign investment has been made during the each of the last three years and the current year, country-wise and sector-wise;
- (b) the number of persons provided employment by such industries, State-wise;
- (c) whether the Government has signed any agreement with some other countries to invest in the country;
- (d) if so, the details thereof alongwith the investment proposals, country-wise and sector-wise; and
- (e) the States where this investment is likely to be made?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI ASHWANI KUMAR)

- (a): Statements showing country-wise and sector-wise Foreign Direct Investment (FDI) equity inflows received during the last three years and the current year (April-May) are at annex-I and annex-II respectively.
- (b): FDI, like any other investment, has the potential of generating employment opportunities. Separate data regarding number of persons employed in various companies with FDI is not maintained centrally.
- (c): Under the liberalised economic environment, investment decisions, including choice of location, are determined by various techno-economic factors such as the investment climate, macro-economic policy of the host country, policies of the transnational corporations, and commercial judgement of the investors. Government has entered into a Comprehensive Economic Cooperation Agreement with Singapore, which includes an agreement on Investment. The agreement with Singapore was entered into in June 2005 and came into force from August 2005.
- (d): FDI equity inflow from Singapore during August 2005 to May 2006 is US\$273.76 million. Major sectors attracting investment are Soaps, cosmetics & toilet preparations, Services sector, Drugs & pharmaceuticals, Chemicals (other than fertilisers).
- (e): The States attracting major investments from Singapore are Delhi, Tamil Nadu, Karnataka, Maharashtra and Andhra Pradesh.

ANNEX-I

STATEMENT REFERRED TO IN REPLY TO PART (a) OF THE LOK SABHA UNSTARRED QUESTION NO. 1715 FOR ANSWER ON 8-8-2006

COUNTRY-WISE FDI INFLOWS

(FROM APRIL 2003 To MAY 2006)

(Amount in crore)

Sl.No	Country	2003-04	2004-05	2005-06	2006-07	Total
		Apr-Mar	Apr-Mar	Apr-May		
		FDI in	FDI in	FDI in	FDI in	
		Rs	Rs	Rs	Rs	

1	Australia	91.30	84.98	41.33	33.18	250.80
2	Austria	9.26	21.87	7.19	0.01	38.34

3	Bahamas	12.05	26.04	2.69	0.00	40.78			
4	Bahrain	49.25	0.00	1.01	0.01	50.27			
5	Belgium	81.98	2.47	54.00	0.54	139.00			
6	Bermuda	3.24	12.07	0.76	0.00	16.08			
7	Brazil	0.00	0.11	0.14	0.00	0.25			
8	Bangladesh	12.87	13.39	1.15	0.00	27.41			
9	Bulgaria	0.01	0.63	0.00	0.00	0.64			
10	Canada	46.50	65.64	53.73	1.33	167.19			
11	Cayman Island	91.15	38.27	132.55	0.61	262.58			
12	Channel Island	3.00	2.45	18.58	0.00	24.03			
13	China	0.26	5.98	4.17	0.01	10.42			
14	Croatia	0.01	0.00	0.00	0.00	0.01			
15	Czech Republic	0.00	0.00	0.00	0.44	0.00	0.44		
16	Cyprus	16.29	12.09		309.97	6.55	344.90		
17	Denmark	63.63	95.49		207.14	0.77	367.03		
18	Finland	0.03	6.69	14.77	0.00	21.49			
19	France		176.27		536.78	82.20	71.68	866.92	
20	Greece	0.01	0.01	0.24	0.00	0.26			
21	Germany		373.40		663.18		1,344.53	44.22	2,425.33
22	Hongkong	97.74	49.23		116.36	46.87	310.20		
23	Hungary	0.00	0.00	0.47	0.00	0.47			
24	Indonesia	8.27	1.28	4.71	0.41	14.67			
25	Ireland	4.90	3.95	40.24	0.00	49.09			
26	Isle of Man	0.76	2.00	1.97	0.00	4.73			
27	Israel	1.12	0.56	20.00	0.06	21.74			
28	Italy	25.00		124.86		179.39	2.95	332.21	
29	Liechtenstein	3.06	0.00	0.00	0.00	3.06			
30	Japan	360.45		575.19		925.07	73.75		1,934.45
31	Kazakhstan	0.00	0.10	0.00	0.00	0.10			
32	Korea(North)	0.00	0.00	1.50	0.10	0.00	1.60		
33	Lebanon	0.01	0.00	0.00	0.00	0.01			
34	Korea(South)	109.94		157.04		269.05	50.42	586.45	
35	Kuwait	0.42	7.25	0.87	0.00	8.55			
36	Luxembourg	17.16	2.09	25.85	7.50	52.60			
37	Malaysia	217.36	36.50	31.10	4.58	289.54			
38	Mauritius	2,608.68	5,141.36	11,441.07	3,538.55			22,729.66	
39	Mexico	0.00	0.00	0.17	0.00	0.17			
40	Maldives	0.01	0.00	13.06	0.00	13.07			
41	NRI	72.53		296.29		2,288.68	46.19		2,703.69
42	Nepal	0.00	0.35	0.00	0.00	0.35			
43	Netherlands	2,247.32	1,216.81	340.37		180.00		3,984.50	
44	Nevis	0.00	0.00	83.96	0.00	83.96			
45	New Zealand	0.00	0.49	0.55	0.00	1.04			
46	Nigeria	4.50	2.14	0.00	0.00	6.65			
47	Norway	0.58	0.62	2.53	0.10	3.83			
48	Oman	37.44	24.86	2.13	0.00	64.44			
49	Panama	0.00	0.06	10.60	0.00	10.66			
50	Phillipines	0.00	1.29	0.73	0.00	2.02			
51	Poland	1.10	0.25	7.04	0.00	8.39			
52	Portugal	0.00	0.00	0.56	0.00	0.56			
53	Qatar	0.05	0.35	0.00	0.00	0.40			
54	Russia	0.20	1.21	1.61		113.71	116.74		
55	Saudi Arabia	28.20	0.20	3.95	0.15	32.50			
56	Singapore	171.73		821.73		1,218.24	116.02		2,327.72
57	Scotland	0.00	0.00	8.79	0.00	8.79			
58	South Africa	11.75	11.75	20.93	97.30	0.00	129.98		
59	Slovakia	0.00	7.93	0.00	0.00	7.93			
60	Spain	9.15	27.54	38.05	78.74	153.48			
61	Sri Lanka	0.00	1.68	2.10	0.00	3.78			
62	Sweden		187.34		338.19		137.00	0.85	663.38
63	Switzerland	206.61		353.38		425.83	30.12		1,015.94
64	Taiwan	2.63	12.76	4.26	0.01	19.67			
65	Thailand	5.63	11.17	21.87	8.73	47.41			
66	Turkey	0.19	0.04	0.00	0.00	0.23			
67	U.A.E.		77.33		177.71		219.41	13.05	487.50
68	U.K.	768.54		458.34	1,164.13	211.47		2,602.47	
69	U.S.A.	1,658.25	3,055.31	2,209.83	681.01			7,604.40	
70	Ukraine	0.00	0.05	0.00	0.00	0.05			
71	Venezuela	0.00	0.00	0.00	0.00	0.00			
72	Uruguay	0.00	0.00	6.33	7.25	13.58			
73	British Virginia	9.61	6.52	24.26	6.76	47.15			
74	West Indies	0.00	1.10		130.97	0.00	132.07		
75	Yugoslavia	0.00	0.47	0.00	0.00	0.47			
76	Unindicated								
	Country	0.07	61.09		614.63	20.19	695.99		
77	Malta	0.42	0.09	0.00	0.00	0.51			
78	Iran	0.00	0.00	0.00	0.01	0.01			
79	Muscat	0.00	0.00	0.91	0.00	0.91			
80	Tanzania	0.00	0.00	0.00	0.00	0.00			
81	Georgia	0.00	0.00	0.01	0.00	0.01			
82	Gibraltar	0.01	10.08	37.03	0.00	47.12			
83	Jordon	0.00	0.03	0.00	0.00	0.03			
84	Vietnam	0.03	0.00	0.00	0.00	0.03			
85	Ice Land	0.80	0.00	78.03	0.00	78.83			
86	Kenya	4.62	0.00	0.04	0.00	4.66			

87	Egypt	0.00	0.07	0.22	0.00	0.29
88	Yaman	0.00	0.04	0.00	0.00	0.04
89	Cuba	0.01	2.15	2.16	0.00	4.31
90	Liberia	0.00	0.00	48.64	0.00	48.64
91	MAYANMAR	0.23	0.00	0.00	0.22	0.46
92	MALTA	0.00	0.00	0.02	0.00	0.02
93	MORACCO		69.97	0.00	0.00	69.97
94	COLUMBIA	0.01	0.00	1.09	0.00	1.10
95	BRITISH ISLES	0.00	22.68	1.21	0.00	23.89
96	ARUBA	1.74	0.22	0.00	0.00	1.96
97	VIRGIN ISLANDS	0.00	0.58	0.00	3.58	4.15
98	PERU	0.00	0.16	0.04	0.00	0.20
99	TUNISIA	0.00	19.84	0.00	0.00	19.84
100	Uganda	0.00	0.41	3.12	0.00	3.52
101	Seychelles	0.00	4.47	0.00	0.00	4.47
102	West Africa	0.00	0.00	0.07	0.00	0.07
103	FIJI ISLANDS	0.00	0.00	0.00	13.63	13.63
104	Advance of Inflow#	1,880.76	2,485.15	0.00	0.00	4,365.90
105	Stock Swapped#	172.50	0.00	28.37	0.00	200.87
	Grand Total	12,117.27	17,137.87	24,612.74	5,415.81	59,283.69

Note :

1. Amount includes the Inflows Received through SIA/FIPB route, acquisition of existing shares and RBI's automatic route only
2. # denotes that the Advance of Inflow & Stock Swapped are not segregated country-wise by RBI, Mumbai

ANNEX-II

STATEMENT REFERRED TO IN REPLY TO PART (a) OF THE LOK SABHA UNSTARRED QUESTION NO. 1715 FOR ANSWER ON 8-8-2006

SECTOR-WISE FDI INFLOWS

(FROM APRIL 2003 To MAY 2006)
(Amount in crore)

Sl No	Sector	2003-04	2004-05	2005-06	2006-07	Total
		Apr-Mar	Apr-Mar	Apr-May	Apr-May	
		FDI in Rs	FDI in Rs	FDI in Rs	FDI in Rs	FDI in Rs
1.	METALLURGICAL INDUSTRIES	146.06	880.95	680.84	160.09	1,867.94
2.	FUELS (POWER & OIL REFINERY)	520.94	759.00	415.71	387.84	2,083.49
3.	BOILERS AND STEAM GENERATING PLANTS	0.20	2.34	0.00	0.00	2.54
4.	PRIME MOVERS OTHER THAN ELECTRICAL	0.00	0.25	0.00	0.00	0.25
5.	ELECTRICALS EQUIPMENT (INCL S/W & ELEC)	2,449.32	3,280.58		6,499.06	358.36 12,587.33
6.	TELECOMMUNICATIONS	531.95	588.41		3,023.46	1,383.83 5,527.65
7.	TRANSPORTATION INDUSTRY	1,417.13	815.10	982.99	318.09	3,533.31
8.	INDUSTRIAL MACHINERY	13.93	40.74	187.52	20.11	262.29

9. MACHINE TOOLS	250.75	50.73	100.25	3.43	405.16
10. AGRICULTURAL MACHINERY	0.11	0.01	415.97	0.00	416.09
11. EARTH-MOVING MACHINERY	0.05	0.47	231.30	0.00	231.82
12. MISCELLANEOUS MECHANICAL & ENGINEERING	100.07	56.73	226.21	3.37	386.37
13. COMMERCIAL, OFFICE & HOUSEHOLD EQUIPMENT	40.96	62.46	111.41	4.50	219.33
14. MEDICAL AND SURGICAL APPLIANCES	9.26	24.05	6.72	0.00	40.03
15. INDUSTRIAL INSTRUMENTS	4.16	4.95	1.69	0.00	10.80
16. SCIENTIFIC INSTRUMENTS	0.07	0.14	0.45	0.00	0.66
17. FERTILIZERS	99.29	61.90	19.31	0.00	180.50
18. CHEMICALS (OTHER THAN FERTILIZERS)	93.69	908.68	1,979.06	81.93	3,063.36
19. PHOTOGRAPHIC RAW FILM AND PAPER	1.35	27.62	0.00	0.00	28.97
20. DYE-STUFFS	2.00	5.42	0.00	0.00	7.42
21. DRUGS AND PHARMACEUTICALS	501.67	1,342.91	759.70	10.32	2,614.60
22. TEXTILES (INCLUDING DYED, PRINTED)	42.84	196.84	414.67	26.21	680.56
23. PAPER AND PULP INCLUDING PAPER PRODUCT	31.68	12.41	122.90	1.80	168.80
24. SUGAR	0.25	13.51	13.10	0.00	26.86
25. FERMENTATION INDUSTRIES	7.82	41.64	28.57	0.00	78.03
26. FOOD PROCESSING INDUSTRIES	510.85	174.08	182.94	3.75	871.63

27. VEGETABLE OILS AND VANASPATI	7.79	41.03	54.00	0.74	103.56
28. SOAPS, COSMETICS AND TOILET PREPARATIONS	0.00	4.09	388.49	1.74	394.32
29. RUBBER GOODS	29.31	184.18	150.77	0.70	364.96
30. LEATHER, LEATHER GOODS AND PICKERS	32.18	2.03	4.89	0.34	39.44
31. GLASS	24.11	38.47	3.54	1.37	67.50
32. CERAMICS	6.78	123.09	25.02	4.40	159.29
33. CEMENT AND GYPSUM PRODUCTS	44.04	0.73	1,969.82	1.99	2,016.58
34. TIMBER PRODUCTS	0.50	0.31	465.64	0.00	466.45
35. DEFENCE INDUSTRIES	0.00	0.24	0.00	0.00	0.24
36. CONSULTANCY SERVICES	257.13	1,166.83	206.44	13.61	1,644.02
37. SERVICE SECTOR	1,235.27	2,105.53	2,565.04	1,089.25	6,995.11
38. HOTEL & TOURISM	226.80	168.85	315.59	22.33	733.58
39. TRADING	104.66	65.72	123.43	108.95	402.77
40. MISCELLANEOUS INDUSTRIES	1,319.11	1,399.71	1,907.83	1,406.75	6,033.39
42. Advance of Inflow #	1,880.76	2,485.15	0.00	0.00	4,365.90
43. Stock Swapped #	172.50	0.00	28.37	0.00	200.87
Grand Total	12,117.27	17,137.87	24,612.74	5,415.81	59,283.69

Note :

1. Amount includes the Inflows Received through SIA/FIPB route, acquisition of existing shares and RBI's automatic route only
2. # denotes that the Advance of Inflow & Stock Swapped are not segregated Sector -wise by RBI, Mumbai