

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:3507

ANSWERED ON:07.09.2007

DOMESTIC AS WELL AS FOREIGN CAPITAL INVESTMENT

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

- (a) whether domestic capital investment has been more than the foreign capital investment during the year 2006-07 in the country;
- (b) If so, the reasons therefor;
- (c) the quantum of the domestic and foreign capital investment separately during the aforesaid year;
- (d) the details of the projects in which the aforesaid capital investment has been made; and
- (e) the details of sectors witnessing an increase in domestic as well as foreign capital investment during the said year over the previous year?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) to (c): The Central Statistical Organization (CSO) is the nodal agency for compiling National Accounts Aggregates for India. As per the data released by the CSO, the Gross Domestic Capital Formation (at current prices) in the Indian economy during 2005-06 was Rs. 12,04,474 crore.

The Foreign Direct Investment inflow in the form of equity during the year 2005-06 was Rs. 24, 613 crore. The FDI equity inflow in the year 2006-07 is Rs.70,630 crore.

(d) and (e): The Gross Domestic Capital Formation in the year 2005-06 is highest in the manufacturing sector (Rs.4,84,615 crore). Other major sectors are transport, storage and communication (Rs.1,01,574 crore), financing, insurance, real estate and business services (Rs. 1,25,423 crore) and agriculture, forestry and fisheries (Rs.83,952 crore). All these figures are at current prices.

Some of the sectors in which Gross Domestic Capital Formation in the year 2005-06 has witnessed growth over 2004-05, are as follows:

- (i) Agriculture, forestry and fishing;
- (ii) Mining and quarrying;
- (iii) Manufacturing;
- (iv) Financing, insurance, real estate and business services; and
- (v) Community, social and personal services.

The major sectors attracting FDI inflow for the year 2006-07 are service sector (Rs. 21,433.88 crore), electrical equipments (Rs. 12,324.56 crore), telecom (Rs.23,541.01 crore) and transportation (Rs.2112.20 crore).

Electrical Equipments, transportation, hotel and tourism, power and oil refinery, food processing industries are some of the sectors in which FDI inflow has witnessed a growth in the year 2006-07 over 2005-06.