

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO-2306

ANSWERED ON MONDAY, JULY 8, 2019 / ASHADHA 17, 1941 (SAKA)

PRIVATE SECTOR INVESTMENT

2306: SHRI RAM MOHAN NAIDU KINJARAPU:

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

- (a) the details of measures taken to encourage private sector investment growth in the economy;
- (b) the details of sectors where private sector investment has been lower than the average for the last three years; and
- (c) the details of reasons for such slowdown?

ANSWER

MINISTER OF FINANCE

(SMT. NIRMALA SITHARAMAN)

(a) The government is constantly taking various initiatives to encourage investment in the economy, including investment by private sector, which, inter-alia, include measures to improve ease of doing business, comprehensive reforms in the Foreign Direct Investment policy, various facilitation measures under flagship programmes like Make-in-India, Start-up India, reduced corporate tax rate of 25 per cent for companies with turnover up to Rs. 250 crore, launch of a support and outreach program for helping the growth, expansion and facilitation of Micro, Small and Medium Enterprises sector, etc. Further, steps taken to boost private sector investment in infrastructure sectors include launching of innovative financial vehicles such as Infrastructure Debt Funds, Infrastructure Investment Trusts (InvITs), Real Estate Investment Trusts (REITs), mainstreaming of Public Private Partnerships (PPPs) across infrastructure sectors through viability gap funding, periodic review of Harmonized Master List of Infrastructure Sub-sectors, and establishment of the National Investment and Infrastructure Fund (NIIIF). Besides this, a Project Monitoring-Invest India Cell (PMIC) has also been set up for resolving of issues and fast tracking the setting up and expeditious commissioning of large Public, Private and Public-Private Partnership Projects

(b) & (c): A comparative statement indicating industry-wise data relating to GFCF for private corporations and households for the years 2014-15 to 2016-17 at current and constant 2011-12 prices, available with National Statistical Office is at Annexure. The data does not reveal a uniform trend of slowdown in private sector investment across sectors. The pace of investment on each sector depends on various factors, domestic as well global. However, the overall GFCF for the private sector has steadily increased over the last 3 years.

Statement referred in reply to part (b) & (c) of Lok Sabha Unstarred Question No.2306 for 08.07.2019

		GFCF for Private Sector at constant (2011-12) prices						(in Rs crores)		
S.No.	economic activity	2014-15			2015-16			2016-17		
		Private corporations	Household	Total Private sector	Private corporations	Household	Total Private sector	Private corporations	Household	Total Private sector
1.	agriculture, forestry and fishing	6097	221012	227109	6391	179121	185512	6750	203820	210570
1.1	crops	3790	186604	190394	4370	146789	151159	4603	167617	172220
1.2	livestock	1306	19478	20784	1075	15979	17054	1098	18212	19310
1.3	forestry & logging	53	67	120	134	71	205	141	156	297
1.4	fishing & aquaculture	947	14863	15810	812	16281	17093	908	17835	18743
2.	mining & quarrying	11954	4576	16530	10642	3921	14563	12768	7135	19903
3.	manufacturing	453671	74640	528311	517384	59813	577197	611204	70478	681682
4.	electricity Gas, water supply and other utility services	97985	550	98535	100537	721	101258	114907	936	115843
5.	construction	44068	51359	95427	48545	36155	84700	58688	60089	118777
6.	trade, repair, hotels & restaurant	98175	194915	293090	141273	243502	384775	117258	185604	302862
6.1	trade & repair services	80775	180518	261293	113893	222758	336651	92895	169209	262104
6.2	hotels & restaurants	17401	14397	31798	27380	20744	48124	24362	16396	40758
7.	transport, storage & communication & services related to broadcasting	94182	65167	159349	184080	69049	253129	227924	92777	320701
7.1	railways	20257	0	20257	13776	0	13776	18633	0	18633
7.2	Road transport	12001	51957	63958	16796	57114	73910	16745	79051	95796
7.3	water transport	1680	66	1746	2612	70	2682	2526	122	2648
7.4	Air transport	2898	0	2898	4644	0	4644	5841	0	5841
7.5	Services incidental to transport	8308	1445	9753	16933	1204	18137	19781	1234	21015
7.6	Storage	1374	2289	3663	2055	2616	4671	1471	1394	2865
7.7	Communication & services related to broadcasting	47664	9409	57073	127265	8045	135310	162928	10976	173904
8.	financial services	25663	0	25663	35776	0	35776	31867	0	31867
9.	Real estate, ownership of dwelling and professional services	309043	610978	920021	299992	447032	747024	336895	496366	833261
10.	public administration & defence	0	0	0	0	0	0	0	0	0
11.	other services	73795	76116	149911	107812	65527	173339	127922	83251	211173
	Total	1214634	1299314	2513948	1452433	1104841	2557274	1646183	1200457	2846640
		GFCF for Private Sector at current prices						(in Rs crores)		
slno	economic activity	2014-15			2015-16			2016-17		
		Private corporations	Household	Total Private sector	Private corporations	Household	Total Private sector	Private corporations	Household	Total Private sector
1.	agriculture, forestry and fishing	6944	267174	274118	7452	221389	228841	7987	259171	267158
1.1	crops	4365	226985	231350	5191	183376	188567	5575	216569	222144
1.2	livestock	1460	23292	24752	1192	19292	20484	1219	22397	23616

1.3	forestry & logging	61	73	134	160	79	239	170	175	345
1.4	fishing & aquaculture	1058	16824	17882	909	18642	19551	1023	20031	21054
2.	mining & quarrying	13817	5066	18883	12058	4304	16362	14509	7754	22263
3.	manufacturing	502195	85563	587758	577603	66433	644036	680449	79187	759636
4.	electricity Gas, water supply and other utility services	108658	617	109275	112495	795	113290	129660	1036	130696
5.	construction	45582	51858	97440	49741	35378	85119	57400	53242	110642
6.	trade, repair, hotels & restaurant	111947	224022	335969	159055	270720	429775	134418	209589	344007
6.1	trade & repair services	92008	207443	299451	128266	247630	375896	106514	191036	297550
6.2	hotels & restaurants	19938	16579	36517	30789	23089	53878	27903	18552	46455
7.	transport, storage & communication & services related to broadcasting	106598	71509	178107	209631	74382	284013	259020	102046	361066
7.1	railways	24565	0	24565	17476	0	17476	23651	0	23651
7.2	Road transport	13296	56303	69599	18996	61005	80001	19353	86404	105757
7.3	water transport	1812	71	1883	2779	74	2853	2754	133	2887
7.4	Air transport	3136	0	3136	5205	0	5205	6684	0	6684
7.5	Services incidental to transport	9313	1659	10972	19143	1337	20480	22593	1392	23985
7.6	Storage	1565	2645	4210	2283	2918	5201	1663	1587	3250
7.7	Communication & services related to broadcasting	52911	10831	63742	143748	9048	152796	182321	12530	194851
8.	financial services	29085	0	29085	41310	0	41310	37499	0	37499
9.	Real estate, ownership of dwelling and professional services	364999	710241	1075240	359200	510236	869436	405102	579872	984974
10.	public administration & defence	0	0	0	0	0	0	0	0	0
11.	other services	84476	87559	172035	123865	72931	196796	148855	94164	243019
	Total	1374301	1503609	2877910	1652411	1256568	2908979	1874900	1386062	3260962