

**GOVERNMENT OF INDIA  
URBAN EMPLOYMENT AND POVERTY ALLEVIATION  
LOK SABHA**

STARRED QUESTION NO:38  
ANSWERED ON:30.11.1999  
FDI IN HOUSING SECTOR  
SULTAN SALAHUDDIN OWASI

**Will the Minister of URBAN EMPLOYMENT AND POVERTY ALLEVIATION be pleased to state:**

- (a) whether the Government have allowed Foreign Direct Investment in housing and urban infrastructure projects;
- (b) if so, the details and the response from the foreign investors thereto;
- (c) whether Ministries of Finance and External Affairs have raised objections in this regard; and
- (d) if so, the details thereof and the steps taken by the Government in this regard?

**Answer**

MINISTER FOR URBAN EMPLOYMENT AND POVERTY ALLEVIATION

( SHRI SUKHDEV SINGH DHINDSA )

(a)&(b): Foreign investment is already permitted to non-residents of Indian nationality/origin and overseas corporate bodies predominantly owned by NRIs/PIOs having atleast 60% of beneficial interest in such bodies in the housing and real estate development sector. Foreign direct investment (FDI) is not yet permitted in the housing sector.

(c)&(d): A proposal for liberalisation of the scheme and its extension to all potential investors has been formulated after consulting the concerned Ministries including Ministries of Finance and External Affairs. After considering their comments, a proposal has been submitted to the Cabinet for its consideration. Cabinet have constituted a group of Ministers to further consider the proposal.