

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

UNSTARRED QUESTION NO:2290
ANSWERED ON:10.03.2006
FDI IN REAL ESTATE
Verma Shri Ravi Prakash

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

- (a) whether the Government has allowed FDI in real estate;
- (b) if so, whether the Government has set up a regulatory board for development in this sector;
- (c) if not, the reasons therefor; and
- (d) the steps taken by the Government to set up a regulatory board in real estate?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT (SHRI AJAY MAKEN)

(a): In order to Catalyse investment in Real Estate as an instrument to generate economic activity, create new employment opportunities and add to the available housing stock and built up infrastructure, the Govt. has vide Press Note 2 (2005 series), allowed FDI upto 100% under automatic route for Townships, housing, built-up infrastructure and construction-development projects, which would include, but not be restricted to housing, commercial premises, hotels resorts, hospitals, educational institutions, recreational facilities, city and regional level infrastructure, rather than limiting it to only development of integrated townships.

(b)to(d): No, Sir. As on date no proposal has been received from the Stakeholders/Organizations engaged in the Construction activities for setting up a regulatory board for development in real estate sector.