

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

STARRED QUESTION NO:326
ANSWERED ON:18.08.2006
FOREIGN INVESTMENT IN REAL ESTATES
Rao Shri Kavuru Samba Siva

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

- (a) the number of foreign investors and the funds invested by each of them in real estate sector since it has been opened to foreign investment;
- (b) the criteria/guidelines for foreign investment in real estate sector;
- (c) the opportunities available for small foreign players to invest in real estate business;
- (d) whether the Government proposes to set up Real Estate Investment Trust or Real Estate Mutual funds to regulate foreign investment alongwith the big players and to check speculative rise in prices of real estate in the country; and
- (e) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF HOUSING & URBAN POVERTY ALLEVIATION (KUMARI SELJA)

(a)to(e): A Statement is laid on the Table of the Sabha.

STATEMENT

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO.326 FOR 18.8.2006 REGARDING FOREIGN INVESTMENT IN REAL ESTATE.

The Foreign Direct Investment (FDI) received from January, 2004 to April, 2006 in Housing, Real Estate and urban infrastructure is Rs.594.33 crore. The list of the countries from where it has been received is at Annexure-I.

In order to catalyse investment in Real Estate as an investment to generate economic activity, create new employment opportunities and add to the available housing stock and built up infrastructure the Government 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 and regional level infrastructure rather than limiting it to only development of integrated townships.

There is no such proposal at present.

ANNEXURE-I

NAME OF COUNTRY FROM WHERE FOREIGN DIRECT INVESTMENT RECEIVED DURING THE YEAR 2004, 2005 & 2006.

Sl. Country Sl. Country
No. No.

1. Austria	14. Norway
2. Canada	15. Russia
3. Cayman Island	16. Singapore
4. China	17. South Africa
5. Cyprus	18. Spain
6. Denmark	19. Switzerland
7. Germany	20. Thailand
8. Hongkong	21. United Kingdom
9. Italy	22. United States of America
10. Liechtenstein	23. Venezuela
11. Kuwait	24. British Virginia
12. Malaysia	25. Muscat
13. Mauritius	26. Vietnam

