

**GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:5141
ANSWERED ON:11.05.2007
FDI IN DEVELOPMENT OF INTEGRATED TOWNSHIP
Owaisi Shri Asaduddin

Will the Minister of URBAN DEVELOPMENT be pleased to state:

:

- (a) whether 100% Foreign Direct Investment (FDI) has been permitted for development of integrated township some time back;
- (b) if so, the achievements thereof;
- (c) whether rigid land conversion rules, more flexible zoning regulation and transferable development rights are the main hurdles for promoting integrated township under FDI;
- (d) if so, whether the Government proposes to amend the FDI norms for development of integrated township in the country;
- (e) if so, the details thereof;
- (f) whether any consultation has been held with different stakeholders in this regard; and
- (g) if so, the details thereof?

Answer

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

(a): Yes, Sir. Foreign Direct Investment (FDI) upto 100% is permitted on automatic route in construction development projects vide Press Note 2(2005) issued by the Government on

3.3.2005.

(b): Foreign Direct Investment (FDI) inflows from March 2005 to March 2007 under Real Estate Sector was US \$ 505.38 million (Rs.2291.629 crore). The corresponding inflows under Construction Activities Sector was US \$ 1143.26 million (Rs.5123.499 crore).

(c)to(g): No such specific instances have been brought to the notice of the Government. However, foreign Direct Investment (FDI) policy is reviewed on a continuous and ongoing basis. Views of various stakeholders are taken into account while formulating the policy.