

**GOVERNMENT OF INDIA
HOME AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:5339
ANSWERED ON:06.09.2011
LAND PURCHASED BY FOREIGNERS
Thomas Shri P. T.

Will the Minister of HOME AFFAIRS be pleased to state:

- (a) whether foreigners are entitled to purchase any land in the country;
- (b) if so, the details thereof;
- (c) if not, whether any case of purchasing land by foreign nationals in the country has come to the notice of the Government; and
- (d) if so, the details thereof; and
- (e) the action taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI MULLAPPALLY RAMACHANDRAN)

(a) to (b): A Statement is laid on the Table of the House.

Annexure

STATEMENT IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA UNSTARRED QUESTION NO.5339 FOR 06.09.2011

(a) to (e): Purchase of immovable property in India by foreigners is not a prohibited activity. It is a regulated activity. In terms of Reserve Bank of India's circular No. 04/2011-12 dated July 1, 2011, the salient points of regulation are as follows:-

(i) A Non-Resident Indian/ a Person of Indian Origin can acquire by way of purchase any immovable property (other than agricultural land/ plantation property/ farm house) in India.

(ii) Foreign nationals of non-Indian origin resident outside India are not permitted to acquire any immovable property in India, unless such property is acquired by way of inheritance from a person who was resident in India. However, they can acquire or transfer immovable property in India, on lease, not exceeding five years without the prior permission of the Reserve Bank of India.

(iii) Foreign Nationals of non-Indian origin, other than a citizen of Pakistan, Bangladesh, Sri Lanka, Afghanistan, China, Iran, Nepal or Bhutan, can acquire immovable property in India on becoming resident in India in terms of Sections 2

(v) of the Foreign Exchange Management Act, 1999. In this connection, he has to satisfy the condition of period of stay.

(iv) Foreign nationals belonging to Pakistan, China, Bangladesh, Sri Lanka, Afghanistan, Iran, Nepal or Bhutan cannot acquire or transfer any immovable property in India, without the prior permission of RBI.