

**GOVERNMENT OF INDIA
TOURISM
LOK SABHA**

UNSTARRED QUESTION NO:2774
ANSWERED ON:30.03.2012
FOREIGN DIRECT INVESTMENTS IN TOURISM
Angadi Shri Suresh Chanabasappa

Will the Minister of TOURISM be pleased to state:

- (a) whether the Foreign Direct Investments is allowed for development of tourism projects in the country;
- (b) if so, the details thereof and the projects on which FDI is involved; and
- (c) the likely effects of FDI in tourism projects and employment generation expected to be achieved?

Answer

MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI SULTAN AHMED)

(a) and (b): Yes, Madam. Hotel and Tourism sector is declared as high priority sector and Foreign Direct Investment (FDI) upto 100%, under the automatic route is permitted in 'Hotels & Tourism Sector', subject to applicable laws/regulations, security and other conditionalities.

As per report received from Department of Industrial Policy & Promotion, the details of the FDI equity flows from April 2008 to January 2012 in the hotel and tourism sector is as follows:

Sl.No. Year (Apr-Mar) Hotel & Tourism Projects FDI (Rs. in crore)

1.	2008-09	489	2,098.23
2.	2009-10	582	3,566.32
3.	2010-11	403	1,405.15
4.	2011-12 (Apr-Jan)	427	4,041.28
	Grand Total	1901	11,110.98

(c): The FDI has been allowed with an objective to encourage investments in the hotel sector in India and to create job opportunities in hospitality sector.