

**GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA**

UNSTARRED QUESTION NO:6404

ANSWERED ON:06.05.2013

NRI INVESTMENT

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**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

- (a) whether the Government proposes to give a special dispensation to Non-Resident Indians (NRIs) without any condition for investments through various projects/sectors in order to encourage Foreign Direct Investment (FDI) in the country;
- (b) if so, the details of investment made by the NRIs during the last three years; sector and project-wise;
- (c) whether the Government has fixed any target for investment made by NRIs; and
- (d) if so, the details thereof along with the steps taken to achieve the desired target?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (DR. D. PURANDESWARI)

(a) Non Resident Indians (NRIs) can make investment in India, under various schedules of the Foreign Exchange Management (Issue or Transfer of Security by a Person Resident outside India) Regulations, 2000, as amended from time to time. Investment under the Foreign Direct Investment (FDI) Scheme, contained in Schedule 1 of these Regulations, allows a special dispensation for NRI investments in the sector of townships, housing, built-up infrastructure and construction- development projects (which include, but are not restricted to, housing, commercial premises, hotels, resorts, hospitals, educational institutions, recreational facilities, city and regional level infrastructure), without the performance linked conditionalities attached to FDI in such projects. It also allows a special dispensation for NRI investments in the sectors of Scheduled Air Transport Services/Domestic Scheduled Passenger Airlines, Non-Scheduled Air Transport Services and Ground Handling Services, wherein NRI investment, up to 100%, is permitted, under the automatic route. NRIs can also make investment under the Portfolio Investment Scheme and a scheme for non-repatriable investments. Besides the above, NRIs are permitted to invest in Government dated securities / Treasury bills, units of domestic mutual funds, bonds issued by a public sector undertaking (PSU) in India etc. without limits.

(b) Data on NRI Investment is not maintained separately by the Reserve Bank of India (RBI). However, the data on FDI equity inflows, sector wise and company wise, including investment from Non Resident Indians, as reported by RBI, from April, 2009- February, 2013 is at Annexure.

(c) No, Madam.

(d) Does not arise.