

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:30
ANSWERED ON:06.12.2013
INVESTMENT BY NRIS
Patil Shri Sanjay Dina

Will the Minister of FINANCE be pleased to state:

- (a) whether Non-Resident Indians (NRIs) have shown a preference to invest in other countries instead of investing in Indian realty projects despite weak rupee;
- (b) if so, details thereof and the reasons therefor; and
- (c) the steps take/proposed to be taken by the Government to encourage NRIs to make investments in India?

Answer

MINISTER OF FINANCE (SHRI P. CHIDAMBARAM)

(a), (b) and (c): A Statement is laid on the Table of the House.

Statement laid on the Table of Lok Sabha in reply to parts (a) to (c) of the Lok Sabha Starred Question No. 30 (Position no. 10) to be answered on Friday, 06th December, 2013 regarding Investment by NRIs by Shri Sanjay Dina Patil, Member of Parliament.

(a) to (c) No data/information is maintained in respect of NRI investments in other countries. The investment made in India by Non-Resident Indians (NRIs) under the foreign direct investment (FDI) route is a part of the investments made by all Non-residents and Government of India does not maintain data on NRIs in realty or any other sector separately. In view of this, no information is available in this regard.

As a part of the FDI policy, NRIs do not have to fulfill conditionalities otherwise applicable on foreign investments in the construction and development sector. Further NRIs are also allowed to invest upto 100% FDI on the automatic route in civil aviation sector.

An NRI having valid permission from its designated AD bank, may purchase and sell shares / convertible debentures of an Indian company on both repatriation and non-repatriation basis under the Portfolio Investment Scheme.

An NRI, is also permitted to purchase on non-repatriation basis shares / convertible debentures of an Indian company whether by public issue or private placement or right shares.

Government plays an active role in investment promotion, through dissemination of information on the investment climate and opportunities in India and by advising prospective investors, including NRIs, about the same. Government has set up 'Invest India', as a not-for-profit, single window facilitator, for prospective overseas investors, including NRIs to attract investment. The Overseas Indian Facilitation Centre (OIFC) was established in 2007 which facilitates economic and intellectual engagement of Indian diaspora with India in economic and intellectual field.