



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
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RBI/2014-15/420

A.P. (DIR Series) Circular No. 60

January 22, 2015

To

All Category – I Authorised Dealer banks

Madam/Sir,

Foreign Direct Investment (FDI) in India – Review of FDI policy –Sector Specific conditions- Construction Development

Attention of Authorised Dealer Category – I (AD Category-I) banks is invited to Annex B of Schedule 1 to the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 notified vide [Notification No. FEMA 20/2000-RB dated May 3, 2000](#), as amended from time to time. In terms of Schedule 1 to the Notification *ibid*, 100% Foreign Direct Investment (FDI) is permitted under Automatic route in Construction Development sector subject to conditions.

2. The extant FDI policy for Construction Development sector has since been reviewed. Accordingly, effective December 3, 2014 100% FDI under automatic route shall be permitted in construction development sector subject to the conditions specified in the Press Note 10 (2014 Series) dated December 3, 2014.

3. [A copy of Press Note No.10 \(2014 Series\) dated December 3, 2014](#) issued in this regard by DIPP, Ministry of Commerce & Industry, Government of India is appended.

4. Reserve Bank has since amended the Principal Regulations through the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) (Sixteenth Amendment) Regulations, 2014 notified vide [Notification No.](#)

[FEMA.329/2014-RB dated December 8, 2014](#), c.f. G.S.R. No. 906(E) dated December 22, 2014.

5. Authorised Dealer banks may bring the contents of this circular to the notice of their constituents and customers concerned.

6. The directions contained in this circular have been issued under sections 10(4) and 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and are without prejudice to permissions / approvals, if any, required under any other law.

Yours faithfully,

(B.P. Kanungo)
Principal Chief General Manager