

Dr. K. P. Krishnan, IAS  
Joint Secretary

डा. के. पी. कृष्णन

संयुक्त सचिव

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Office of the Chief Secretary  
Govt. of N.C.T. of Delhi

10 DEC 2008

भारत सरकार

वित्त मंत्रालय

आर्थिक कार्य विभाग  
नई दिल्ली-110001

Government of India

Ministry of Finance

Department of Economic Affairs  
New Delhi-110001

D.O. No. 33/29/EM/2007

AD/02/4515

2nd December, 2008

Dear Sir,

It has been brought to our notice that foreign nationals are buying immovable property illegally in some parts of the country, particularly in Goa which has raised concerns in some quarters. Many organizations and social groups have made representations to the Central Government expressing their serious concerns in this regard. Moreover, foreign national person coming to India and staying beyond 182 days on a tourist or other visa meant for a certain period are illegally acquiring immovable property in India in violation of the extant rules and regulations under FEMA.

2. As you are aware, Foreign Exchange Management (Acquisition and Transfer of Immovable Property in India) Regulation 21/2000-RB dated the 3rd May, 2000 provides that an Indian citizen resident outside India and a Person of Indian Origin resident Outside India may acquire immovable property in India and also a foreign company which has established a Branch Office or other place of business in India under the provisions of FEMA 22/2000-RB dated the 3rd May, 2000 can acquire immovable property in India which is necessary for or incidental to carrying on such activity.

3. Apart from above, a foreign national who is residing in India for more than 182 days for taking up employment or carrying on business / vocation or for any other purpose indicating his stay for uncertain period may acquire immovable property in India subject to fulfilling certain requirements, prescribed by the State Authorities. To be treated as a 'person resident in India' under FEMA, a person has not only to satisfy the condition of the period of stay (being more than 182 days during the course of the preceding financial year) but has also to comply with the condition of the purpose / intention of stay.

4. In view of above, I would request you to kindly issue appropriate instructions to all concerned authorities under your control to be extra vigilant in such matters and satisfy themselves about the eligibility under FEMA before registering transfer of properties by foreign nationals and seek necessary declarations / verify travel document such nature of visa from intending Buyer who are on visit to India or seller on their eligibility under FEMA. Wherever appropriate, the authorities concerned may consider reviewing registration of sale / purchase already made to determine their compliance with legal requirements.

5. I am also sending herewith a copy of the Press Release issued by this Ministry in this regard.

Add. Distt. Magistrate (HQ)  
GNCT of Delhi

Date 12 DEC 2008

Dy. No. 11809

Shri Rakesh Bhatta,  
Chief Secretary,  
Govt. of NCT of Delhi,  
Delhi.

regards,

Yours sincerely,

(Dr. K.P. Krishnan)

SAVE IT  
WHILE YOU  
STILL CAN.  
Water  
100% Natural, 0% Synthetic