

| | Foreign national of non Indian origin | Non resident Indian (NRI) | Person of Indian Origin (PIO) |
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| Definition | A person who live outside the India and not a citizen of India. | A Person of Indian Origin (PIO) is a citizen of any other country but whose ancestors were Indian nationals at least four generations away | A person is an Indian citizen who has migrated to another country. |
| Types of Properties can buy | A foreign national of non-Indian origin, resident outside India cannot purchase any immovable property in India unless such property is acquired by way of inheritance from a person who was resident in India. However, he / she can acquire or transfer immovable property in India, on lease, not exceeding five years. In such cases, there is no requirement of taking any permission of /or reporting to the Reserve Bank. a foreign national who is a 'person resident in India within the meaning of Section 2(v) of FEMA, 1999 can purchase immovable property in India. However, he / she can acquire or transfer immovable property in India, on lease, not exceeding five years. In such cases, there is no requirement of taking any permission of /or reporting to the Reserve Bank. | All types of immovable properties except Agriculture land/Plantation property /Farm House | All types of immovable properties except Agriculture land/Plantation property /Farm House |

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| Any limit to the value and no. of properties that foreigners can buy. | NA | No Limit | No Limit |
| Approvals required for foreigners to buy properties | A foreign national who is a 'person <u>resident in India</u> ' would have to obtain the approvals and fulfil the requirements, prescribed by other authorities, such as, the State Government concerned. The onus to prove his/her residential status is on the individual as per the extant FEMA provisions, if required by any authority | No | No |
| (C) Special Incentives to Attract Foreigners to Purchase Real Estate in your Country | | | |
| Are there any special incentive to attract foreigners to purchase properties in your country | No | No | No |
| Any incentives to foreigners to live in your country? | No | No | No |

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| (D) Financing for Foreigners to Purchase Properties | | | |
| Any financing for foreigners to borrow from local banks to purchase properties | No, Financing facility is available from Local banks, but can be given by foreign Banks. | Yes, NRI can avail of housing loan in Rupees from an Authorised Dealer or a Housing Finance Institution subject to certain terms and conditions laid down in Regulation 8 of Notification No. FEMA 4/2000-RB dated May 3, 2000 viz. Foreign Exchange Management (Borrowing and lending in rupees) Regulations, 2000, | Yes, PIO can avail of housing loan in Rupees from an Authorised Dealer or a Housing Finance Institution subject to certain terms and conditions laid down in Regulation 8 of Notification No. FEMA 4/2000-RB dated May 3, 2000 viz. Foreign Exchange Management (Borrowing and lending in rupees) Regulations, 2000, |
| What are the requirements and conditions for approval | No specific conditions, except those for purchase of property. | NA | NA |
| Any limit on foreigners borrowing | No | 10 Million INR (2 lac USD) Max. | 10 Million INR (2 lac USD) Max. |
| (E) Foreign Exchange Regulation | | | |
| Whether foreigners can bring in their own money to purchase properties | No | Yes | Yes |
| What are the foreign exchange regulation for them to bring money into the country | | | |

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| <u>Return on Property Investments by Foreigners</u> | | | |
| What are the preferred types of properties purchase by foreigners in your country | NA | Commercial rented properties, and high end residential apartments | High end residential Properties |
| Gross rent on prime Grade A office and luxurious residence (condominium) | Office : \$ 3 – 8/- per sqft per month Residential : \$ 2- 5/- per sq.ft per month | | |
| Gross yield of prime Grade A office and luxurious residence (condominium) | Commercial : 9-10 % Residential : 2.5 – 4 % | | |
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| <u>(G) Ownership Structure of Properties</u> | | | |
| Type of Properties | Leasehold and Freehold | | |
| Land use right | | | |
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| <u>Property Purchase : Fees and Taxes</u> | | | |
| Fees and taxes involve when foreigner purchase a property. | NA | | |
| | Foreign national of non Indian origin | Non resident Indian (NRI) | Person of Indian Origin (PIO) |
| Fees and taxes involve when a foreigner sell a. | NA | Income Tax/ Capital gain | Income Tax/ Capital gain |

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| property | | | |
| Procedures for purchase of property in <u>India</u> . | NA | <ul style="list-style-type: none"> • NRI's holding Indian passport do not require prior permission of Reserve Bank of India to buy residential or commercial immovable property in India. <p>The purchase consideration may be paid either by remittance of funds from abroad through normal banking channels or out of NRE / FCNR / NRO account.</p> | <p>Under the general permission to NRI's holding foreign passport, the RBI has allowed them to acquire, hold, transfer or dispose off by way of sale or inheritance, immovable properties situated in India. The property is for the purchaser's bonafide residential use;</p> <p>The purchase consideration is met either by remittance from funds abroad through normal banking channels or out of NRE / FCNR.</p> <ul style="list-style-type: none"> • Income accruing by way of rent from the properties purchased or acquired by inheritance will not be allowed to be repatriated abroad even if the purchase consideration was met out of NRE / FCNR account. • It is however, necessary for foreign citizens of Indian origin to declare such property to RBI within a period of 90 days from the date of purchase in the prescribed IPI 7 to |

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| | | | the Chief General Manager, Exchange Control Department, Foreign Investment Division, Central Office Department, Foreign Investment Division, Central Office, RBI Bombay. |
| Procedures for sale of property in <u>(country)</u> . | Foreign national of non-Indian origin including a citizen of Pakistan or Bangladesh or Sri Lanka or Afghanistan or China or Iran or Nepal or Bhutan can sell property in India with prior approval of the Reserve Bank to i) a person resident in India ii) an NRI iii) a PIO | NRI can sell property in India to a i) person resident in India ii) an NRI; or iii) a PIO | PIO can sell property in India to i) a person resident in India; or ii) an NRI; or iii) a PIO - <i>with the prior approval of the Reserve Bank</i> |
| Management fees upon renting the property | 10-20 % of Gross rent | | |
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| (I) Taxation | | | |
| How are foreigners' income taxed | Income is taxable ONLY if the income is generated from within the Indian Territory | Income is taxable ONLY if the income is generated from within the Indian Territory | Income is taxable ONLY if the income is generated from within the Indian Territory |
| Tax rate for foreigners | 30% max. for individual, 40% for Companies. | 30% | 30% |
| What are deemed taxable income | Rent + Capital appreciation | Rent + Capital appreciation | Rent + Capital appreciation |
| Withholding tax | Not applicable on Property Transactions | | |

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| payable by foreigner | |
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