

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

UNSTARRED QUESTION NO:1625
ANSWERED ON:07.03.2011
SIMPLIFICATION OF FDI REGIME
Ponnam Shri Prabhakar

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

- (a) whether the Government is preparing any new document to simplify FDI regime;
- (b) if so, the details thereof; and
- (c) the aims and objectives of such proposal and its prospective impact on the common man and the industries?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a) to (c): All earlier Press Notes, instructions and policy guidelines on FDI, issued by the Department of Industrial Policy & Promotion, were consolidated into one document and issued as 'Circular 1 of 2010 - Consolidated FDI Policy', effective from 1.4.2010. The second edition of the Circular, titled 'Circular 2 of 2010 - Consolidated FDI Policy', was also released, effective from 1st October, 2010. The next edition of this document, to be released on 31 March, 2011, is under preparation. The document aims to consolidate prior regulations on FDI, into one consolidated document, so as to reflect the current regulatory framework. It also aims to simplify the policy, by providing greater clarity of understanding of foreign investment rules among foreign investors and sectoral regulators.