

FDI policy 2012: New bottle, old wine!

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The Department of Industrial Policy and Promotion has released the new consolidated foreign direct investment policy which is made effective from April 10, 2012. The New FDI Policy supersedes the earlier version of the consolidated FDI policy of 2011 and other press notes issued prior to April 9, 2012.

Along with the New FDI Policy, DIPP has also issued a press release whereby DIPP has left a remark that *"it is felt that the need of frequent amendments to the Circular does not exist any longer"*.

As a result, earlier the consolidated FDI policy which was a part of review process that was undertaken two times annually; now onwards would be revised only annually. Thus, the next version of the consolidated FDI policy will now be released on March 29, 2013 (as indicated in the Press Release); however, in the intervening period, DIPP may make changes to the New FDI Policy by way of press notes.

In this Hotline, Nishith Desai Associates examine the key changes brought by the new FDI Policy.

Click on the attachment for more...

Attachments : [Corpsec Hotline_April1212 - Nishith Desai Associates.pdf](#)