PREFACE

It is well recognised that the role of Foreign Investment (FI) in India’s Industrialisation vis-à-vis economic development has a historical inheritance. So far as its nature is concerned it is found that the inflow of FI in India has taken the form of Foreign Direct Investment (FDI) and Foreign Institutional Investment (FII). In fact a majority of this FII has been found to be invested for short term speculative gain. So far as FDI is concerned one can easily find a sharp distinction between the nature of FDI during the pre-reform period and post-reform period. In the pre-reform period it was mainly in collaborative form which consisted of pure collaboration and technical collaboration such that technical collaboration. Surprisingly, in the post-reform period the flow of FDI in India was in the nature of Merger & Acquisitions (M&A) and Greenfield Investments (GI). We have chosen the topic of research through comprehensive review of existing literature in this area. The study is exclusively based on secondary data which are mainly available from various reports of government and semi-government organizations in this field. The data collected from such various sources have been classified, tabulated and analysed by using descriptive statistical methods and most contemporary econometric tools. Appropriate splicing technique and deflator has been used to make the data comparable.

Through this study a humble attempt has been made to analyse the nature, trend and pattern of FDI in India both before and after the inception of economic reforms. We have also tried to evaluate the impact of FDI inflows on economic growth of India and also on different sectors of Indian economy during the era of globalization.

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