PREFACE

“Liberalisation Breeds Growth”

As India embarked upon the route of the new economic reforms and liberalization, ‘the India corporate’ too developed a global vision.

As a part of globalization Indian economy, Govt. undertook two major steps:-

a) allowing foreign institutional investors to invest in the Indian capital market, and
b) permitting Indian companies to float their stocks in foreign markets.

Two primary instruments floated by Indian companies in international markets are:-

a) Global depository receipts (GDRs), and
b) Foreign currency convertible bonds (FCCBs), more commonly know as EURO ISSUES.

“A Euro issue – is an issue where the securities are issued in a currency different from the currency of the country of issue and the securities are traded internationally to corporate and private investors in different countries”
The interest in, and the need for such a study, that could analyze the prevailing international financial scenario, arose from the fact that the successful survival of ‘India corporate’ rested on finding, understanding and making full good use of new route to international financial markets.

This study is a sincere effort to go about to find routes to successful entry into international financial system. The efforts have been made to study right from the concept of Euro Issue through its impact on ‘India corporate’.

For this purpose study has been broadly divided into three thrust areas namely—Analysis, Impact, and suggestions.

The thrust has been on studying:

- the progress made in taping Euro capital,
- suitability of instruments being used,
- benefits to Indian investors,
- benefits to Indian companies, and
- globalization of Indian economy

It is sincerely hoped that the study will benefit the cause of academics, and other players — of the larger Indian Financial Sector — working hard for making our capital market, industrial sectors and economy competitive globally.