FDI IN INDIA - OPPORTUNITIES AND CHALLENGES

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ABSTRACT

FDI has been associated with improved economic growth and development in the host countries which has led to the emergence of global competition to attract FDI. Promotional efforts to attract foreign investment have become the focal point of competition among developed and developing countries. Foreign Direct Investment refers to the investment in a foreign country where the investor retains control over the investment. It takes the form of starting a branch, subsidiary, acquiring a stake in an existing firm or starting a joint venture in foreign country. Direct investment and management of the firm normally goes together.