FOREIGN DIRECT INVESTMENT AFFECT ON TELECOMMUNICATION SECTOR IN INDIA

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ABSTRACT

This paper shows a study on the Foreign Investment Decision in India. The paper is an attempt to find out the reasons for the flow of funds to India, more specifically, an attempt to find out the reasons for India being one of the favorites; amongst all Asian countries, for foreign investors. It talks, broadly, about the Foreign Direct Investments (FDI) and the upsurge in the Foreign Institutional Investors (FIIs) in India, and specifically about the rise in the FDI cap for the Telecommunication Sector and “How will it affect the Telecommunication Sector.” The project also explains various kinds of risks involved in making an investment decision in a foreign country, as well as, various risks present in India; which an investor might have to face. It is a generalized report on the trends in the foreign investment flow in India, with an attempt to explain and project the reasons behind India being amongst the favorites. Moreover, this report also gives an overview on reasons for FIIs being attracted to India and the affect of the hike in the FDI ceiling on the Telecom sector, along with the support of appropriate data.