

NEWS ALERT

DAILY NEWSLETTER



**WILL HIGH DEPENDENCY ON FOREIGN DIRECT INVESTMENT WORK AS
A GROWTH DAMPENER FOR INDIA?**

NEWS AT A GLANCE

FACTS ABOUT FDI (FOREIGN DIRECT INVESTMENT)

- ◆ FDI inflows into India moved up three times from \$7.6 billion in 2005 to \$ 22.9 billion in 2007
- ◆ FDI outflow has rocketed more than four times from \$ 2.9 billion in 2005 to \$13.6 billion in 2007
- ◆ The total outward investment from India, excluding that made by individuals and banks, rose by 29.6% to \$17.4 billion largely due to acquisition
- ◆ Actual outward FDI in joint ventures and wholly owned subsidiaries during the July-September quarter stood at US \$3134 million showing a growth of 5.4% over US \$ 2972 million during the corresponding period previous year.
- ◆ Share of US in total FDI inflows declined 5.4% in 2008 from 10.7% in 2005
- ◆ Share of Singapore increased from 7.4% to 11.3% from 2005 to 2008.
- ◆ Mauritius attracted for about half of India's total FDI inflow in 2007.

HEADLINES

- ◆ DESPITE SLOWDOWN, PLASTIC INDUSTRY WITNESSES AN ANNUAL GROWTH OF 20%
- ◆ GOLD PRICES MAY EASE; CRUDE TO STAY ABOVE \$50
- ◆ TOYOTA OPERATING LOSS MAY HIT \$5 BILLION IN FY10
- ◆ JK TYRE PLANS TO INVEST RS 500 CRORE ON EXPANSION
- ◆ DEFENCE IMPORT PAYMENTS INFLATE Q3 CURRENT ACCOUNT DEFICIT
- ◆ CHINA'S ECONOMY GETS BOOST AS OUTPUT BOUNCES
- ◆ SATYAM TO NAME THE HIGHEST BIDDER TODAY
- ◆ MARUTI TO LAUNCH HYBRID CARS IN 3 TO 5 YEARS
- ◆ TATA CAPITAL TO ROLL OUT ITS FIRST PE FUND BY YEAR END

“ Liberalization was catalyst for growth of entrepreneurship. Government supported and public private partnership ventures and business incubators in colleges and technology parks also facilitated the growth of entrepreneurship in India.”