

Argasia Education PVT. Ltd. (GST NO-09AAPCA1478E1ZH)
Address: Basement C59 Noida, opposite to Priyagold
Building gate, Sector 2, Pocket I, Noida, Uttar Pradesh 201301,
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word limit
235

- 1. Good writing skill.
- 2. But keep in mind the ratio of demand of the question. In steps took by the gov. you discussed only SEZs. try to explain at least 3-4 points.
- 3. At the end try to explain the 'step' if you mentioning.
- 4. Well done keep it up.

By the need for FDI for the develop-
of Indian economy. what correcti-
steps had been taken for increas-
dual FDI's in India?

Foreign direct investment (FDI) is a
method through which foreign institutions
invest in Indian economy by creating
assets. FDI is usually a long term
investment unlike FII, which is for a
short term only.

Needs for FDI

- Creation of wealth
- and jobs
- Technical development
- Accessing Foreign Funds

FDI provides the perfect opportunity
for foreign institutions to invest
in Indian economy by opening new
companies or buying large stake
in Brownfield or Greenfield.

FDI major source for technical
advancements which domestic players
cannot afford to incorporate. Foreign
involvement led to technology transfer
that can pave way for modernisation
India's domestic financial market

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cannot afford to lend for a long term due to shortage of fund. Foreign fund can provide the support in domestic economy.

Measures for increasing FDI. Special economic zones are being set up and provide them facilities in field of roads, transport and education.

Companies which set up production unit in SEZ don't have to pay taxes. For five years Govt. has allowed flexibility in labour laws.

Companies can hire and fire for short period when there is intense pressure of work or provide single window clearance.

A recent change has been done in FDI by Finance ministry so, that in COVID-19 pandemic no one can misuse the economic condition of country. under foreign exchange management Act (FEMA) 1999. The approval of Govt is mandatory for the countries share border with India. which is the quality step taken By Government of India.