

PRINT: ISSN 0971-8923 ONLINE: ISSN 2456-6756

JOURNAL OF SOCIAL SCIENCES

Interdisciplinary Reflection of Contemporary Society

© Kamla-Raj 2010

PRINT: ISSN 0971-8923 ONLINE: ISSN 2456-6756

J Soc Sci, 24(1): 65-71 (2010)

DOI: 10.31901/24566756.2010/24.01.09

Impact of Foreign Direct Investment on Export Performance in India

N. Prasanna

*Department of Economics, Bharathidasan University, Khajamalai Campus,
Tiruchirappalli 620 023, Tamil Nadu, India
Mobile: 9894915061, E-mail: nprassii@hotmail.com*

KEYWORDS Foreign Direct Investment (FDI). Manufactured Exports

ABSTRACT In a globalizing world, export success can serve as a measure for the competitiveness of a country's industries and lead to faster growth. Recently, a much optimistic view on the role of Foreign Direct Investment (FDI) on export performance in the host country has evolved. The Government of India moved in this direction in mid-1991 which has increased the FDI inflow into India. Viewing the increasing trend of FDI inflows into India, this study explores the impact of FDI inflows on the export performance of India. This study finds that the impact of FDI inflows on export performance is significantly positive. The study also suggests that the policy regarding domestic efforts to enhance manufacturing exports needs reassessment in line with the FDI policy framework in order to reap maximum and long-term benefits.