

The vacuum emerged over the back-  
ground of pandemic when global investors  
are searching new investment destinations,  
a global environment in favour of India  
is needed to attract them towards India.

India is 9th largest investment  
attracting country with \$49 bn (2019-20)  
investment. But despite 63rd rank  
in EDB ranking, the investment is  
merely 2% of GDP and less than  
its remittances which is \$83 bn (2019-20)

what has made India  
new attraction is its productive  
demography, stable government,  
major reforms like - GST, Digitisation  
etc.

But, despite all this, it faces tough competition from ASEAN countries like Vietnam, South Korea.

India need a reflexive reforms to attract these investment such as

- (i) Improving EDB dimensions such as
  - contract enforcement, which take 1465 days
  - Property Registration etc.

(ii) Bilateral Investment Treaty

where recently clauses like MOST favoured Nation, Fair and Equitable Treatment was ~~removed~~ need to added.

(iii) signing ICSID of world Bank to give investors confidence about their investment

(iv) Diversifying traditional sources like

Singapore, Caemen Island, Mauritius

which shows sound tipping.



(V) Diversifying invested sectors from Automobile, ICT products etc to other also.

(VI) Utilising NRIs by loosening over regulation like on participatory note, making them brand ambassadors to Andian investment.

(VII) Fiscal consolidation by improving fundamentals like fiscal deficit to improve sovereign rating like moody.

(VIII) Removing policy uncertainty like Demonetisation, lockdown etc to stop shocking investors.

since, government and priv. sectors are struggling to uplift economy, foreign investment is required as a complement.