



Spreading...

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FRAGRANCE

MONTHLY MAGAZINE OF AISHWARYA P.G. COLLEGE

...all around



5 September 2013: Teachers Day was organized by students for all the staff of our Sansthan. It was a combined effort of APGC, AIM & IT & Rotaract Club. Teachers Day is celebrated on the birthday of Dr. S Radhakrishnan. The guest was welcomed and introduced by Mahipal Singh, President of the Rotaract Club. The guest of the session was Mr. Suraj Mal Chouhan.

Mehandi Competition

14 September 2013: The judge for the competition was Ms. Shalini Chaudhary, Interior designer and architect, Niradh Consultancy, Udaipur. There were 5 participants namely Yamini Sharma, B.Com Ist yr., Kiran Dangi, B.Com Ist yr., Mohita Verma, BCA Ist yr.; Anjali Kumawat, BBM III sem. and Anchal Jain B.Com IInd yr. The students were given one hour for the competition in which they put mehendi. The competition ended with great enthusiasm and cheer.



Parents-Teachers Meeting

07 September 2013: A Parents-Teachers Meeting was organized by the college. Students of B.Com, BBM, BCA and PGDCA attended the meeting with their parents. A total of 21 parents visited the meeting including five from BBM, eight from BCA and eight from B.Com.

The parents were informed about their ward's attendance and overall performance in the college. They were satisfied by the response they received from the respective faculty of the college. Feedback forms were filled by the parents and then they proceeded for refreshments. The parents were also informed of the schedule of the next meeting.

Talk Organized by Extension Activities & Institutional Social Responsibility Cell

11 Sept., 2013: The guest speaker of the session was Ms. Neelkamal Agrawal, Center Head, Financial Planning Academy; Director, BL Group; Director, Knowledge for Wealth. She has a lot of experience in corporate Fund Management, dealing with High Net Worth Individual clients. The main objective of the session was to educate the students about different courses available to them in the field of finance. She laid stress on additional qualifications required in present corporate world. She discussed CFP (Certified Financial Planner) course, which is an internationally recognized and certified course. The students enjoyed the session and were made aware about the different opportunities available to them in the finance field.



FDI- Foreign Direct Investment

When an individual or a corporation or any Multinational Company invests in business and industry in a foreign country directly- without having a domestic company as partner- it is called Foreign Direct Investment or FDI. Big Corporations and MNCs may decide to invest in a foreign country encouraged by cheaper wages, less competition, vast market for their products and because of the special privileges, incentives and exemptions given to them by the government of that country. Usually, developing nations extend special privileges to these companies to attract FDI.

Developing countries seek FDI as they have inadequate capital for much needed growth. Their capital markets are under a process of development. Besides, FDI from companies of developed countries brings latest technical know-how, business expertise, knowledge and different innovative ideas.

FDI has a lot of benefits for a developing country like India. As expressed above, it brings latest technology and new innovative ideas for business and industry. It improves the foreign exchange position. It can help in increased production and thereby generate a lot of employment. It brings fresh capital to a capital

starved country like ours. It also brings Intellectual Property and latest management skills. We have already seen these benefits because of whatever FDI that has come to India in the last few years.

Besides, as big corporations enter the market they turn up the heat on domestic companies and increased competition forces the domestic companies to increase their efficiency in all aspects of business. As production increase exports from our soil rises. Also, higher production and increased economic activity generates more tax and other revenue for the government.

However, there also are certain disadvantages of FDI. Sometimes small and medium domestic enterprises get edged out as they are unable to compete with the big MNCs. Also, the large corporations can monopolize the market after consolidating their position by edging out the domestic companies. The large corporations and MNCs tend to invest more in automation and machinery which does not benefit the local wage earner. Their clout and huge scale of business and less dependence on local know-how and local supplies somehow lessens government control over their activities.

Although, after the opening up of our economy in 1991, FDI was allowed gradually in several sectors and it definitely has helped our economy to grow. But, a bone of contention has been allowing of FDI in the organized retail sector. While a section of people are of the opinion that FDI in retail will be beneficial for the consumer; a large section of people think that it will render crores of self employed small and medium traders jobless.

It is true that we cannot blindly follow all western ideas and hope for them to be beneficial for us. Like China, we must sometimes adjust those ideas according to the unique conditions prevailing in our country. FDI in retail shall only be allowed after incorporating safeguards to provide a level playing field to our traders who also are after all citizens of our country whose interests must be taken into consideration.

– Ramesh Modi



Foreign direct investment (FDI) is direct investment into production in a country by a company in another country, either by buying a company in the target country or by expanding operations of an existing business in that country.

Foreign direct investment is done for many reasons including to take advantage of cheaper wages, special investment privileges such as tax exemptions offered by the country as an incentive to gain tariff-free access to the markets of the country or the region.

Why do FDI expand to Less developed economies?

Less developed countries have huge **untapped natural resources**. Moreover, these countries lack the capital investment and the technology to tap into these resources. This provides FDI with a lot of opportunity to exploit these resources and earn high returns on their investments.

Additionally for investors, FDI provides the benefits of **reduced cost through the realization of scale economies**.

Less developed countries usually have **less stringent labour and environment laws**. This provides MNCs with an opportunity to lower their cost of production by taking advantage of these loopholes.

Labour is usually cheaper and available in abundance in LDCs. The MNCs can considerably lower their cost of production. This gives advantage to the MNCs to compete in the international market.

LDCs understand the importance of FDIs and have **special policies** to attract them. This might involve tax holidays, provision of cheaper land and government support. All these factors make it an attractive proposition for FDIs to invest in LDCs. examples include, tax holidays, Duty exemptions and drawbacks, Export tax exemptions, Subsidized credits and Credit guarantees.

Some developing countries provide great promises in terms of being emerging markets. Brazil as well as India and China are all markets with huge populations and growing incomes. As incomes rise, the demand for all normal goods and services will increase, and there is thus **potential for substantial profits** to be made by companies that manage to establish a presence in these markets.

Benefits of FDI

One of the advantages of foreign direct investment is that it **helps in the economic development** of the particular country where the investment is being made. This is especially applicable for developing economies. During the 1990s, foreign direct investment was one of the major external sources of financing for most countries that were growing economically. It has also been noted that foreign direct investment has helped several countries when they faced economic hardship.

Resource transfer, in terms of capital and technical knowledge, is also a key motivator that encourages inward FDI.

FDI allows the **transfer of technology**-particularly in the form of new varieties of capital input-that cannot be achieved through financial investments or trade in goods and services. FDI can also promote competition in the domestic input market.

Recipients of FDI often gain **employee training** in the course of operating the new businesses, which contributes to human capital development in the host country.

Profits generated by FDI **contribute to corporate tax revenues** in the host country.

Foreign investment gives **advantages in terms of export market access** arising from economies of scale in marketing of foreign firms or from their ability to gain market access abroad. Besides their contributions through joint ventures, foreign firms can serve as catalysts for other domestic exporters. In an empirical analysis, the probability a domestic plant will export was found to be positively correlated with proximity to multinational firms

Foreign investment can aid in **bridging a host country's foreign exchange gap**. Growth requires investment and investment requires saving-whether domestic or foreign. Two gaps may exist in the economy: insufficient saving to support capital accumulation to achieve a given growth target; and insufficient foreign exchange to transform domestic to foreign resources. If investment requires imported inputs, then domestic saving may not guarantee growth if the saving cannot be converted to foreign exchange to acquire imports. Capital inflows help ensure that foreign exchange will be available to purchase imports for investment.

Disadvantages of FDI

- Loss of sovereignty by host nation.
- MNC have their parent companies and shareholders in the country of origin. Repatriation of profits by MNC to the parent country causes a flow of capital out of the developing country. This might also lead to depletion of foreign exchange reserves with the host country.
- There is a chance of rise in inflation.
- The country or industry that attracts foreign investment may become entirely dependant for growth and increase the risk.
- If the domestic companies are not competitive and efficient, they may suffer losses.
- In absence of proper regulatory policies, MNCs might exploit the labour and natural resources.
- Foreign direct investment is an expensive and risky option for companies than licensing and exporting. They face expropriation, political risk and currency inconvertibility.
- Capital intensive technology, by the MNC, rather than labour-intensive technology limits benefits to host country.
- In very poor nations, MNCs may sometimes exert political control in other to suit their vested interests. This might bring about political stability and chaos in the host nation.

Early Day Start



Morning is the best time of day. After a refreshing good night's sleep, one is in a state of physical, mental and emotional tranquillity and vigour to start his beautiful day. And if mornings are

planned well, the day gets planned well automatically. Morning is the time for facilitating one's all-round development. This is the time for introspection. This is the time for prayer. This is the time for meditation. This is the time for physical exercise and yoga. This is the time for walking. And importantly enough, for a successful professional life, this is the time of planning the day. Hence, after apportioning the morning time for physical, mental, emotional and spiritual development, we should plan our day - What to do and when? Whom to meet and when?

In most developed countries like the USA, the UK, Germany and Japan, people start working at 8.00 a.m. or even earlier. In certain countries, during summer time, offices start functioning at 7.00 a.m. Most of the private sector undertakings of repute in India have morning hours. Don't housewives wake up early (morning) and complete the first phase of their chores much before the children get ready for school? And don't young fathers carry their children to the bus stops or to the schools in time? All this only means that we can do things the way others can do once these become part of our life, it is easy to follow them with little or no stress. All professionals should develop the habit of commencing their business in the early part of a day for that is the best time for clear thinking, cheerful initiatives and for undertaking energetic endeavours.

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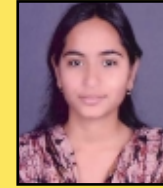
Kushal Singh, Student, BCA, 3rd Year

ACHIEVERS OF THE MONTH

Mehandi Competition



Yamini Sharma
B.Com. I Yr., 1st

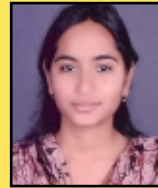


Anjali Kumawat
BBM. III Sem., 2nd



Mohita Verma
BCA I Yr., 3rd

Extension Activity (Scholarship)



Anjali Kumawat
BBM, III Sem



Jitendra S. Rathore
B.Com., 2nd Yr.



Parichay Sharma
BBM, 3rd Sem.



Pawan Patidar
BBM, 3rd Sem.



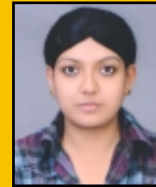
Rahul Maurya
B.Com., 3rd Yr.



Vinayak Patidar
BBM, 3 Sem.

FACULTY ACHIEVERS

Extension Activity (Scholarship)



Ms. Payal Surana



Ms. Neha Vyas

One is most fresh in the morning. In fact, by commencing work early in the day, we make sure the day's work would be done well. Self-employed professionals such as insurance agents and salesmen can certainly win the race for success by utilizing their mornings best. A researcher or a student has the finest memory and clearest thinking in the morning hours. And a well-organized housewife through her well-planned morning is able to take charge of the whole day a befitting manner.