

## India may downgrade growth Forecasts : FM



Hanoi, 6th May, 2011: Speaking on rising oil prices and its impact on Indian Economic growth, Shri Pranab Mukherjee, Honble Finance Minister of India said "If oil import costs continue to mount, India would be forced to downgrade economic growth forecasts for the current year". Shri Pranab Mukherjee was speaking to the journalists at 44th Annual Meeting of the Board of Governors of Asian Development Bank at Hanoi, Vietnam.

India was predicting the growth to be around 9% in the current fiscal year but that forecast would come under severe pressure if the cost of importing energy to boost Indian Economy

Contd.... Pg. 2(1)

## Good Governance Essential to Ensure Prosperous Future : Kuroda, President ADB

Hanoi, 5th May, 2011: Asia can lead the world to more balanced, equitable, and sustainable growth if it confronts its medium- and long-term challenges "with purpose and passion," Asian Development Bank (ADB) President Haruhiko Kuroda told the opening session of the 44th ADB Annual Meeting in Ha Noi, Viet Nam.

In an address entitled "Asia's Future: Regional Challenges, Global Responsibilities," he said that the Asia and Pacific region emerged swiftly from the global economic crisis and must now tackle the large, ongoing challenges of poverty, inequality, rapid urbanization, environmental degradation, and climate change.

While Asia's economy has grown rapidly for several decades, Mr. Kuroda pointed



out that "It is not just the quantity of growth that matters, but also the quality. Inclusive growth is essential - growth that provides more jobs and increases the quality of life

for all our people. The region cannot prosper, nor achieve its aspirations, if the benefits of growth are not widely shared."

Kuroda emphasised five key issues, vital to unlocking the region's potential. According to him, strong

Contd.... Pg. 2(2)

## Christine Lagarde : Frontrunner for IMF Chief Position

Hanoi, 6th May, 2011 : Christine Lagarde, French Finance Minister successfully gathers considerable support from Asian Finance Ministers attending A D B Meeting in Hanoi which is seen as her bid to become n e x t Managing Director of IMF.



Hauruhiko Kuroda, President ADB who himself was seen as a potential candiate for the coveted IMF position, said Lagarde would be a "perfect" candidate for the position after he expressed the desire to stay as ADB President till the end of his term.

However, while describing her attendance at ADB Conference, Lagarde said she was on a

Contd.... Pg. 2(4)

## Awarded

IIF has been adjudged as the **Best Institute for Financial Management Studies in India** by Brands Academy. The award was presented in a glittering ceremony on 28th May, 2011 at Hotel Crowne Plaza, Gurgaon by celebrated author, Mr. Chetan Bhagat. Other Institutes who were awarded in the same category but different disciplines included XLRI, Jamshedpur & MDI, Gurgaon.



**India may downgrade ... Good Governance...**

continues to rise said the worried Finance Minister.

Speaking on rising inflation, Mukherjee said that most finance ministers shared the same concerns about the inflation. He further stated that "Inflation is a measure of concern to India and to other developing countries". He criticized ADB for not coming forward with positive measures to control inflation in general and food inflation in particular by investing in much needed agricultural projects across the region while warning that any surge in the commodity prices will not only affect economic growth of the country or region but also increase poverty, under nutrition and instability in the region.

On a positive note, Mukherjee advised the ADB need to focus on linking farms to markets and promote research activities and efforts, including through private-public partnerships, dry-land farming, efficient use of water, rain fed irrigation, development of drought resistant varieties of seeds and other similar interventions.

leadership and commitment to good governance is key to growth. Many countries in developing Asia consistently rank low in measures of good governance - this must change to promote quality growth. Other key elements are failing infrastructure investment requirements exceeding \$750 billion annually to 2020; sound financial systems to channel regional savings into Asia's development needs; wider sharing of development knowledge within and beyond the region; and increased regional cooperation and integration.

The President highlighted the need to make financial systems more accessible to the poor. "This will help families to take advantage of economic opportunities, manage financial shocks, and attend to their health and education needs. It will enable micro, small, and medium-sized enterprises to fulfill their potential in creating jobs," he said. Further, sustained growth

must be anchored with investment in innovation and technology, and promotion of entrepreneurship. Increased cooperation and deeper economic integration will help Asia to improve its economic resilience and respond effectively to global challenges such as rising commodity prices and looming water, food, and energy shortages.



Kuroda also called on the Asia and Pacific region to assume greater global responsibilities in dealing with issues such as climate change and economic rebalancing. He suggested that Asia can chalk out the course toward sustainable growth by adopting a new "green growth" paradigm that fosters environmental stewardship as a cornerstone of innovation and growth.

With a growing middle class, Asia is well positioned to lead the unwinding of global imbalances by expanding its own markets to become a source of global demand. "We need to start thinking beyond "factory Asia" and find our place as "consumer Asia" as well," he said.

Kuroda stressed that Asia can also show leadership in building a new global financial architecture and governance structure by strengthening its own

**Christine Lagarde ...**

trip to brief Asian Financial leaders on President Nicolas Sarkozy's agenda to reform International Monetary System under the chairmanship of France at G-20 this year.

Various Finance Ministers who openly came out with their support in favour Lagarde included Indonesian Finance Minister, Mr. Agus Martowardojo; Bangladesh Finance Minister, Mr. Abul Maal Muhith; Boko Kaltungga, Minister of Finance of Vanuatu who described Lagarde as the most suitable candidate being one of the most successful Finance Minister and an international lawyer. While three of the more powerful countries - China, India and Japan declined to comment on Lagarde candidature to IMF Chief position indicating growing competition amongst them to nominate their own candidates to head the IMF.

financial systems. He reiterated his proposal for an Asian Financial Stability Dialogue at the regional level, saying that "Without collective efforts to secure the stability of the system, the stability of an individual economy cannot be guaranteed."

"Asia must show leadership on critical global issues and the provision of global public goods. Working together for the greater good is not always easy, and sometimes requires the sacrifice of individual benefits. But it is absolutely necessary. Never in the history of humankind have we been able to connect regionally and globally as we can today. We must take advantage of this unique opportunity to act on our shared challenges," he said.

**"Quotes" at 44th ADB Annual Meeting**



**"Middle income trap' threatens Asia"**  
Haruhiko Kuroda,  
ADB President

**"Thai leaders focus on social reform"**  
Areepong Bhoocha-oom,  
Permanent Secretary,  
Min. of Finance,  
Government of Thailand



**"Indonesia sizes up infrastructure hurdle"**  
Agus Martowardojo,  
Finance Min., Indonesia

**"Widening wealth gap could derail Asian century"**  
Hiroshi Watanabe,  
President & CEO, JBIC



**"Inflation spiral threatens global economy"**  
Bill White, Former Chief  
Economist, Bank for  
International Settlements

**"G20 presses for yuan SDR inclusion"**  
Christine Lagarde,  
Finance Minister, France



**"Indonesia 'can handle' inflation, capital flows"**  
Rahmat Waluyanto,  
Dir. General, Debt Mgmt,  
Min. of Finance, Indonesia

**"Philippines sovereign hikes onshore borrowing"**  
Cesar Purisima,  
Finance Secretary,  
Govt. of Philippines





*Prof. J.D. Agarwal, Dr. Yamini and Prof. Manju Agarwal with Mrs. & Mr. Hahuriko Kuroda, President, ADB*



*Dr. Yamini and Prof. Manju Agarwal with Mrs. & Mr. Rajat Nag, Executive Director, ADB*



*Prof. J.D. Agarwal with other Delegates at ADB Conference*



*Prof. J.D. Agarwal with Mr. Surinder Kathpalia, Head, Standard & Poor, Singapore*



*Prof. Agarwal with Mr. Prateep Chaudhary, Chairman, State Bank of India in SBI reception*



*Prof. J.D. Agarwal with Actg. Chairman, SIDBI and other delegates at ADB Meet*



*Dr. Yamini and Prof. Manju Agarwal with other delegates*



*Dr. Yamini with Mr. Gitanjana Gunawardena, & Dy. Minister of Fin. & Planning, Sri Lanka*



*Prof. Manju Agarwal with Mr. Surinder Kathpalia*



*Dinner hosted by Friends from Hanoi at Square 4 Restaurant, Hanoi*

## IIF on Electronic Media during May

Prof. J.D. Agarwal, Chairman, Board of Governors, Indian Institute of Finance; Prof. Aman Agarwal and Prof. Yamini Agarwal, Vice-Chairpersons, Indian Institute of Finance were interviewed almost everyday on their views on various global economic, financial and banking issues



on various Vietnamese and other International Television channels during the 44th Asian Development Bank Board of Governors Conference in Hanoi, Vietnam.

### Other Television Interviews during May

1. Prof. J.D. Agarwal was interviewed on **India News Channel (Prime time News)** on Debate on Mr. Jai Ram Ramesh statement on IIMs and IITs faculty not world class ?
2. Prof. Aman Agarwal's interview was relayed on **Delhi Doordarshan (DD) News National TV Channel** on Thursday (May 26th, 2011) on "**Opportunities and Economic Growth in South Korea**" at 10.30 PM in the program Overseas's Opportunities along with Ambassador Kim, Ambassador of South Korea and Mr. J.S. Shin, South West Asia Director of Samsung
3. Prof. J.D. Agarwal was interviewed on **Petrol Price Hike** in Insight programme on **Lok Sabha Television** channel live on 16th May, 2011 from 1:30 to 2:30 p.m. and repeated thereafter.
4. Prof. Aman Agarwal's interview was aired on **Delhi Doordarshan (DD) News National TV Channel** on on "**Opportunities and Economic Growth in CYPRUS**" in the program Overseas Opportunities.

Subscribe

**FINANCE INDIA**  
www.financeindia.org

Edited, Printed and Published by Dr. J.D. Agarwal for and on behalf of Indian Institute of Finance, Ashok Vihar II, Delhi 110052, Phones: 011-27451212, 27451313, Tel Fax: 27454128, Email: iif@vsnl.com

## IIF signs MoU with prestigious Foreign Trade University (FTU), Hanoi, Vietnam



6th May, 2011: Indian Institute of Finance (IIF) has signed a Memorandum of Understanding (MoU) with the prestigious Foreign Trade University (FTU) at Hanoi, Vietnam to further the cause of research and education in the field of Finance on 6th May, 2011 at the FTU.

The academic collaboration would further the cause of enriching research in Finance, Accounting, Business Management, Foreign Trade and Financial Economics, conduction of joint seminars, training programs and exchange programs at both faculty and student levels. This would also help build stronger Socio-cultural ties between the two nations and its people.

Agreement was signed between Prof. Dr. Hoang Van Chau, President, Foreign Trade University (FTU) and Prof. J. D. Agarwal, Chairman Board of Governors, Indian Institute of Finance (IIF), seconded by Prof. Tho Dinh Nguyen, Vice-President, FTU and Prof. Aman Agarwal, Vice-Chairman IIF during their visit to Vietnam.



www.iif.edu

भारतीय वित्त संस्थान

Estd. : 1987

**INDIAN INSTITUTE OF FINANCE**

Ph.: 0120-4340444, 4264810-16, 2449040, 2449041; Email : admission@iif.edu

### Admission Notice

For Session beginning July, 2011

### Management of Business Finance (MBF) Two Years Post Graduate Programme

**Eligibility:** Graduation in any discipline with min. 50% marks [45% marks for SC/ST/OBC].

**Selection Procedure:** Written Test [CAT/XAT/AIMA-MAT / GMAT], G.D. and Interview.

**GD & Interview Dates:** June, 2011 : 10th; 11th; 17th; 18th; 24th; 25th

**PROSPECTUS & APPLICATION FORM:** Can be obtained on payment of Rs. 1250/- by account payee Demand Draft drawn in favour of "Indian Institute of Finance" payable at Delhi, from IIF PD, A-10, Sector 83, Noida, U.P. - 201305 or download the Application Form from <http://www.iif.edu> and for more details visit the Website.

Prof. J.D. Agarwal, Director

**24** Yrs. in the Service of the Nation

**An Island of Excellence in the World of Finance**