International Women's Day celebrated at MPBIM

'**Vibha**' means "Brahman's Primordial Light" or "Cosmic Light". It also means- Radiant, Shining and Bright. Vibha usually refers to the Divine Mother, Gayatri. Naturally, **Vibha** was the theme of the International Women's Day celebrations at MPBIM which was celebrated at MPBIM on 24th March 2015 to highlight the contribution of women to the society. Achievers from the field of academics, law, industry and administration, Dr. Sunithi Phadke Dean Christ University, Smt. Rani Vergis, General Manager Finance BEL, Dr. V.S. Elizabeth Professor of History and Women and Law, NLSIU, Bangalore and Dr. Geetha Ramanujam, Educationist & Director, G R Institutions, were invited to share their experiences with the students. Students of MPBIM compered the programme. The programme was followed by a cultural programme by the student executives of MPBIM. Special thanks to Arpita K.H, Arpita N and James George.

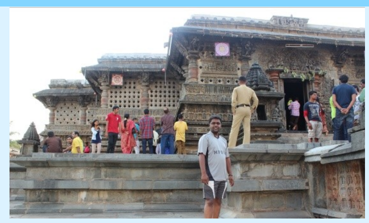

Dr. Sunithi Phadke


Smt. Rani Vergis


Dr. V S Elizabeth


Dr. Geetha Ramanujam

Industry Visit to Chikmagalur in Pictures



Outbound Adventure Learning at Garwale, Kodagu

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Birlaites

The Newsletter

| आ नो भद्राः क्रतवो यन्तु विश्वतः |

Let Noble Thoughts Comes To Us From Every side– Rig-Veda 1-89-1

Quarterly Newsletter April 2015 Volume 3 , Issue 1

paradigm 2015 let's make india happen... April 15th & 17th

wish you all a very happy and prosperous yugadi

Inside this issue


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From Chairman's Desk

'Make in India' – a new paradigm

My young friends,

Wish you all a very happy Yugadi, which marks onset of New Year as per Indian Calendar. I am pleased to note that the theme for the Management Fest '**Paradigm 2015**' is '**Make in India**'. The '**Make in India**' program is a major new initiative designed to facilitate investment, foster innovation, protect intellectual property, and build best-in-class manufacturing infrastructure in India. This ambitious '**Make in India**' campaign launched by the Prime Minister throws up opportunities for growth of domestic manufacturing industry, The whole world is upbeat about this campaign as India with its large domestic potential is sure to be lucrative investment. After a grand unveiling by Prime Minister Narendra Modi in September 2014, the campaign has now been taken to World Economic Forum at Davos in January-2015 where the famous 'India Adda' has given way to the '**Make-in-India**' lounge.

My friends, in order to utilize the opportunities thrown open by this campaign, you have to equip yourselves adequately with requisite skills in your domain. This will call for special efforts in building your skills as managers in this era of new paradigm.

I wish to extend my best wishes to all for a successful Paradigm 2015 festival.

N. Ramanuja

Panel Discussion on India Budget 2015, 2nd March 2015

A panel discussion on India Budget 2015 presented by Sri Arun Jaitley, Hon"ble Finance Minister of India on 28th February 2015 was conducted by M. P. Birla institute of Management and Southern Economist, Bangalore. Dr. S Bisalaiah Former Vice Chancellor University of Agricultural Sciences and Professor MPBIM, Dr. K Sathyanarayana Former Commissioner Income Tax, Dr. N S Viswanath Director & Principal and Dr. Nagesh Malavalli Dean participated in the discussions which was attended by students and faculty from other colleges. Smt. Susheela Subrahmanya, Chief Editor, Southern Economist released the "Birlaites" News Letter of February 2015.

Hearty Congratulations !!!!!

A major apprehension in the market efficiency hypothesis is the existence of calendar anomalies or seasonality in the stock market returns. One of the most prominent, calendar anomalies is the day-of-the-week effect. Thus, investors are more worried about which day of the week is the best day for the trade. A paper on this study by Dr. S Sathyanarayana and Dr. Nagesh S Malavalli, Dean won the 'Best Paper' award at the National Conference on 'Contemporary Business Challenges and Strategies' held at the Institute of Management, Christ University. Very Hearty Congratulations!!!

*INDIA BUDGET 2015 - A WELL CONCEIVED ONE?

Dr. S Bisalaiah Former Vice Chancellor UAS Bengaluru & Professor Emeritus, MPBIM

Given that the expectations of the budget are high and wish list has been quite big, be it corporate to common consumers, from high income group to low income group, from Indian companies top multinational companies, no budget worth the name can meet all these expectations.

Number one-from economic survey that is obviously by Aravind Subramanian, I quote – 'Indian Economy is not surging, it is recovering'. To put it in the language of the mathematicians, we are at the inflexion point. Aravind Subramanian, opines that - 'India has reached a sweet spot', i.e., Low inflation, stable rupee, lower oil prices- these will tell what this budget is all about really. With this it will be possible to launch the Indian economy in a double digit medium term growth trajectory. The country is geared to achieve the fundamental objectives of wiping every tears from every eye. That's the social philosophy of the budget.

There is a need to have a high growth rate. Using the earlier methodology, GDP growth of India would be 4.7%. But with the new methodology they tell us that is 6.9%, which is merely by changing the base year. By changing the base year it is said for the year 2014-15 GDP is going to be 7.4% and for 2015-16 it is going to be 8.5%. The question is, what are the forecasts by agencies like world bank, IMF, ADB and International Credit Agencies – a little above 5%. The promise is to simplify the regulatory system.

The budget promises the emphasis on start ups. Next, the corporate tax is proposed to be brought down from 30 to 25% in a phased manner not in one year but over 3-4 years. There is a debate on whether GDP first or Human Development? There are two growth models which are circulated for debate which are relevant to the budget itself. You must focus on GDP, the benefits will trickle down. Poor people will be benefited in the long run. Next one is very important - the 'Make in India' programme, a dream of the Prime Minister. That's very good, like Made in China!! Made in China parts are available every where. It is good to start with 'Make in India', we will have the 'Made in India' sometime later. It is a good campaign.

Then the question you need to examine is fiscal deficit, where government spends more than it gets. What is important is the fiscal responsibility. Parliament has passed an act in 2003, according to which Government has to maintain 3% as fiscal deficit (FD) 3% of GDP. By 2015-16, Government is planning to have it around of 3.9 to 3.6%. If the government has to reach the target of 3.6% it has to reduce its planned expenditure. *

INDIA BUDGET 2015 - A WELL CONCEIVED ONE?

Dr. K Sathyanarayana Former Commissioner Income Tax

***After** 10 years we are having a budget presented by a government having a clear majority, though not huge majority. With this the government is in a position to form its own policies. They can take initiatives, risks and this also gives the government good bargaining power vis-a-vis foreign agencies. In the recent past the budget used to be a mystery and secret but not anymore.

One thing we notice is that there is a paradigm shift. China as we observe is following the policy of the investment and export led growth. There were huge investments and exports with emphasis on manufacturing. Our policy was more based on domestic consumption and services. Manufacturing sector was not given the required emphasis. Now the government of India has understood clearly that the manufacturing sector has to be given due importance accordingly there is a shift from services sector to manufacturing sector and from consumption based growth To investment based growth. These are the two important things in the budget.

Now service tax has been Increased from 12% to 14% and another 2% additionally as cess for Swatccha Bharat movement, totally coming to 16%. Of this 16% 8% will go the state and balance 8% to the central government. Why this 16% is because it will be commensurate with the GST which is coming from next year in place of the service tax. This is the first time that the FM has not indulged in reduction of personal tax slabs. That's why I said the part B is different when compared to the earlier budget proposals. Next one he discusses is about the black money which is related to the income and assets of Indians & Indian companies abroad. He has proposed higher penalty mandatory filing of returns, mandatory filing of details, prosecution, imprisonment, etc. It is hoped that some amount of black money will come which may also increase investment.

The minister gives emphasis to the skill formation. The money spent on the skill formation will be given income tax exemption. With this even small companies could contribute for skill formation.

The litmus test for any economic administration is in implementation. The focus of government is right the paradigms in investment and manufacturing are right, butt everything would depend on the implementation. *

**Theses talks have appeared as articles in Southern Economist Journal dated 15th March and 1st April 2015*

*INDIA BUDGET 2015 - RIGHT MOVES FOR 'ACHHE DIN'?

Dr. Nagesh .S. Malavalli, Dean*

As is the focus of CEO's in corporate world, going by the primary objective of maximizing shareholders wealth, it is long term farsighted investments that reap long term stability and a proper foundation for the firm's growth. In my view the FM has made right decision to go for the long tem growth and policy changes in that effort. The focus is growth, jobs and stability in the long term and not too many subsidies either to any particular group or sector. But FM has tried his best to uphold the BJP mantra of "**Sab ka saath and sab ka vikas**"

The ease of doing business initiatives have been formalized by reducing to fewer window clearances. Online bidding process is promoted which makes it transparent and efficient. Bureaucratic procedures are reduced to promote make in India policy. A special thrust is given to entrepreneurship initiatives with over Rs.1000 crores set aside to encourage new ideas and businesses. These changes are positive and invite foreign investments. Further long awaited exit rule policies of bankruptcy rules are being introduced.

Corporate tax cuts and postponement of GAAR implementation has given clear message to industry that government does care about them. Complete abolishment of wealth tax is a clear indication of good governance and efficiency in every activity that government does. Most awaited GST is a reality from next year and the states are empowered with higher share of the pie thereby bringing better federalism and getting better return on the buck from every rupee invested in the country.

One path breaking move the government has proposed is the monetization of gold that could infuse into the Indian economy $30 -$100 billion according to one estimate. And the laws to control black money if effectively brought about can help the Indian economy hugely. RIET regulations brought about could open up an alternative funding channel and bring in more competition and lower prices in reality sector. Finally the thrust to agriculture from Rural infrastructure development, drip irrigation and farmers long term and short term credit and other projects together amount to one lakh crores in allocation.

The right seeds are sown to promote growth and development. Everyone hopes that the Modi government could deliver the promises made and "ache din" may come. *

*INDIA BUDGET 2015 – A BUDGET WITH A GREAT DIFFERENCE!

Dr. N. S. Viswanath Principal and Director

The budget was not a budget of inflated promises. Needless to say that it has created a sensation amongst common men. The budget is viewed in the context of relatively better performance as compared to successive low serial performance for five years earlier. The economic survey pointed out with an optimistic note with GDP that will stay between 7.4 & 7.5%. Under Gross Value Added (GVA) , it is likely to be at 8% in 2015-16 with 2011-12 as the base.

The general finding is that saving was 30.6% of GDP as against investment 32.3% of GDP in 2013-14. The condition is that borrowings have to be larger in the context of economy emerging at a higher growth trajectory in GDP / GVA.

The ex-im rates are growing at 4% as against India 3.6%. The exchange rate for US $ has appreciated from Rs.66.00 in 2010 -11 to 60.78 per dollar (2014-15). The foreign exchange reserves are now at $ 328.7 billion. In this background of development, the Finance Minister presented a budget for 2015-2016.

Agricultural sector has acquired emphasis with more irrigation of non agricultural related services. The micro irrigation is budget at Rs.5,300 crore. The rural infrastructure has many a lacunae. This needs to be backed up by funding for long term development at 15,000 crore. The short term cooperative rural credit has an allocation for Rs.45,000 crore. The union government has made the right step in introducing Karnataka model for integration of agricultural markets by the infrastructure of IT. This model must be hastened up to all agricultural marketing centers at the national level. The best point of budget is integration of markets which is a long term exercise This will have ramifications for improving agricultural marketing system.

The government intends to build huge infrastructure to integrate production and construction at an outlay of Rs.3,17,889 crore. The thrust on infrastructure with an equity of Rs.20,000 crore for equity for infrastructure is a step in the right direction.

The last two decades there is a shift towards infrastructure & services sector. The Finance Minister has moved from economic block building to social block building exercise. The reach of the budget benefits to all sections is as critical as economic development itself.

The budget is surely a budget Made for India! The economy need be sustained by taking intermittent measures as a caution to likely shocks. The oil prices are ruled by exogenous factors. It has to be stable to realize the benefits of the budget exercise. The budget will move towards better economic results along with good governance.