

## Book Reviews

### Editor's Note

Our policy is to review all books which are either sent to us or in our opinion are useful to our readers.

Agarwal, J.D. and Aman Agarwal; *Literature in Finance: Specialised Finance (Vol IV)*; 2004, IIF Publication, Delhi, India, pp 218, Price Rs. 330/-.

Finance is often cited as the main containing factor for developing different sectors of the economy. The millennium goals set by United Nations and an attempt to achieve them in the world economy has increased the importance of sectorial finance. There are a large number of text books as well as research studies, available in Finance. However, there is no compendium presenting at one place the literature available on finance, recognizing the fact that there exist wide time gap in the research being done, published in journals and included in books.

Finance as a field has emerged as one of the most vital component for growth and development. Its emergence as a discipline in the last quarter of the 20th century brings forth it's vitality. It is one of the most-scarce resources, which has been the greatest facilitating factor in the growth and development of an economy, firm, corporate and even an individual. The emergence of Finance as a discipline is a strong conviction.

Most of the literature in finance in the past six decades ever since World War II has focused on corporate finance, investments, banking and financial systems, securities markets and public finance. As a result finance as a field of study has been directly identified with these areas and most often treated as an extension of economics or accounting. The financial management of various sectors of the economy which play a pivotal role in the development processes of a country and required massive investments, equally attracted the attention of international agencies, policy makers, academicians and practitioners as these sector required massive investments as well as creative solutions to finance these sectors.

To fill the gap between the literature which has been published and the available books on finance, the authors out of their personal experiences globally, have attempted to bring forth the untapped work which remains as decorated in the columns of professional and academic research journals.

Hence, the benefit that society may derive from serious research findings based on hard labour and serious efforts of researchers has been a much needed attention. The book under consideration is fourth in the series. The authors brought forth a compendium of literature published on Education Finance, Health Finance, Real Estate Finance, Infrastructure Finance, Multinational Finance, Insurance, International Finance, Corporate Tax Management, Agriculture Finance, Financial Management of Multinational Finance, Corporate Finance and SME Finance.

The text provides a medium for existing work as an appropriate outlet for dissemination. The book has been intended to be useful for policy makers, researchers, doctoral students, practicing managers, chartered accountants, finance executives and students of finance.

Indian Institute of Finance  
Delhi

Manju Agarwal

**Chopra, Chanchal; *Foreign Investment in India: Liberalization and WTO - The Emerging Scenario*; 2003, Deep & Deep Publication Pvt. Ltd., Delhi, India, pp. 420, Price Rs. 850/-**

Capital flows have emerged to be a vital component for financial development in an economy. The trend of foreign investment in the pre and post liberalization periods have had positively contribution to the economic growth in the region and India. The strong emergence of IT sector has fostered the India corporate sector globally and influenced foreign investment into the country. The author has suggested strategies as an outcome of the study of literature and in connection with impact emerging out of WTO regime on the inflow of foreign investment in India.

Foreign investment have become a prime constituent in the policy framework for developing countries. The policy challenges adopted by developing countries focusing on some serious concerns for the Indian economy as a result of marginal increase with the inflow of FIIs and FDI's have been observed in 2000-01. Following liberalisation, there has been an unprecedented growth in the inflow of foreign investment and technology transfer into the country. Since 1991, the composition of capital account has changed to a large extent. Non-debt creating inflows have replaced the debit credating inflows and have increased from about 6% during the 70s and 80s to 43% during the 90s. Between 1991-2001, India has received on an average US\$ 2.2 billion annually as foreign investment, as against China's US\$ 32.2 billion. India is placed at the 119th position in the FDI investment performance index of UNCTAD.

Global inflows of FDI have declined in 2003 for the third year in a row, to US\$ 560 billion. This has been prompted again by a fall in FDI flows to developed countries at US\$ 367 bn, being 25% lower than in 2002. Worldwide, 111 countries saw a rise in flows, and 82 a decline. The fall in flows to the US by 53%, to US\$ 30 bn has been dramatic. FDI flows to Central and Eastern