The Paradigm

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IIM-A
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JIM-L

WHY THIS KOLAVERI DI ?
(A Viral marketing Concept)

The Paradigm

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‘ Introduction ’

PRIYA SHARMA
IIM-Ahmedabad

Can’t believe , called me @ 3am and said “You are writing articles for my magazine , submit your 1st article by Dec 10th” . “*first do the secondary things then the primary one*” , his philosophy. He always do the secondary things first , the example is in front of you ,after getting 5.75 gpa, he is publishing his magazine . Honing the capabilities is one of the major task apart from understanding the cases. Any tom can read the “Straight from the Gut” but honing his/her capabilities to understand the orbit/ essence in which the Jack is talking about matters . I ‘ll appraise Sanju for honing his capability to comply with the challenging entrepreneurship .

“A new philosophy, a new way of life, is not given for nothing. It has to be paid dearly for and only acquired with much patience and great efforts ”

SANJEET KUMAR SHARMA
IBS-Hyderabad

After a harsh and fast day, when you go to bed, what you do - Sleep ! !
Before Sleeping do one thing from today ,
Keep you eyes open and think what you have done today , is that all added some value to you or something to your ultimate goal and then frame your tomorrows schedule of work .
Within a week you ‘ll feel the change . “Try it ”

“The Paradigm” magazine is the outcome of our group who enjoys writing their experience in their respective domain , who have lured their intrinsic value to their commitment . Today I am very happy to see my dream come true via magazine .
Today I am remembering a quote written in “LOVE STORY” by Erich Segal -
“Part of being a big winner is the ability to be a good loser”
I always try to be a good loser .

“A new philosophy, a new way of life, is not given for nothing. It has to be paid dearly for and only acquired with much patience and great efforts”

‘Introduction’

RITESH PANDEY
CAT –Aspirant
BIT Mesra (Computer science)

The Paradigm is the new initiative, that is being given a shape of magazine, to present an in-depth analysis of the contemporary issues. It will not only help the the reader to get an analysis of the on going issues but also help them change their paradigms and make them see the same things in quiet a different perspective hence develop the analytical capacity as well. For the authors of the articles that will be publish here it would be like a beautiful and expressive platform to gather together and present their own analysis and will also act as connector for the people of different background and thoughts to discuss points in a more expressive way. I must say that *Sanjeet* should be really credited for this great initiative as he worked hard to give life to this initiative. Through this we can create a beautiful Madhushala(a sort of that Harivansh Rai Bacchan described) of ever thirsty Readers and Authors. As Mr Bacchan wrote in Madhushala

भावुकता अंगूर लता से
खींच कल्पना की हाला,
कवि साकी बनकर आया है
भरकर कविता का प्याला;

कभी न कण-भर खाली होगा,
लाख पिएँ, दो लाख पिएँ!
पाठकगण हैं पीनेवाले,
पुस्तक मेरी मधुशाला।

KRISHNA SHARMA
IBS-Hyd

Dictionary says Paradigm as a typical example or model. But I say paradigm as “पर अ ड्रीम” which means a dream which makes me as an example for others to be a model. It signifies a dream which can be met by me if I have seen that dream,

I think paradigm as a work which will represent a model against the world to see how one can use our day to day activity for learning. It is said that if a person learns from his/her mistakes then he/she can achieve what he/she wants.

Also it is told “NO ONE IS PERFECT” so be the “NO ONE” so that you can be the perfect one example for others. If we say “Dhirubhai Ambani” he is The Paradigm for many as a model for youths to be like him as an entrepreneur or leader, So this is the real paradigm.

Here we have tried to be paradigm for ourselves and others. In Hindi it is “पैर डिम” if you whenever feel that you are not able to move ahead and your legs are telling to stop and rest then just think of the paradigm who is your model and example because when you compare yourself with the world then there are chances that the you are in better condition so as to motivate yourself.

Here paradigm says you about different aspects from the world which constitute your day to day life, world economy, company, corporate environment, stock market etc.

This will make you a model in yourself.

Enjoy reading…

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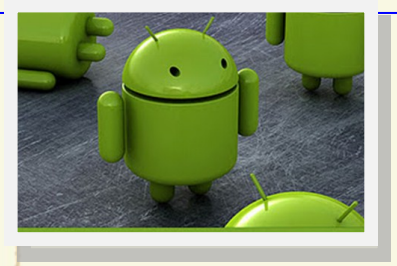
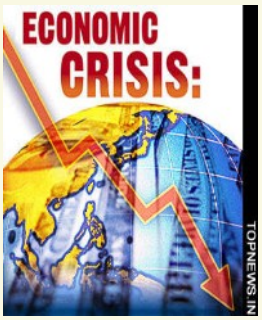
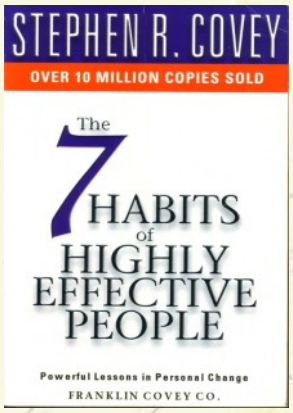




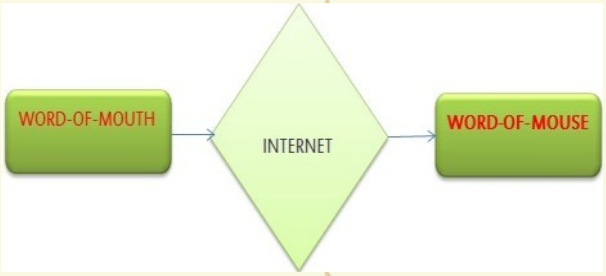


Why this Kolaveri Di ?

(Viral marketing Concept)

By **Priya Sharma**

I am singing song , Soup song , flop song . why this kolaveri di ? Breaking the barrier over 20 million hits but yet to make it as big international baby . what makes it to user to click again and again . Is it really a catchy song ? or it's only the power of viral marketing which made it a big baby ? I don't know what it is all about . 99% of the listener don't know what they are listening frankly speaking even I don't know the real meaning of this soup song but I am also tuning my lips on the lyrics of Kolaveri these days .



"It's an Indian song made by an Indian, whether it is a sensible song or nonsense song. It is music ,it's an art , and doesn't know any language ,only peoples heart and that's where my song lives"

"Dhanush"

Viral marketing describes any strategy that encourages individuals to pass on a marketing message to others, creating the potential for exponential growth in the message's exposure and influence.
Viral marketing depends on a high pass along rate from person to person . If a large percentage of receiptant forward something to a large no of friends , the overall growth snowballs very quickly . If the pass along numbers get too low , the overall growth quickly fizzles

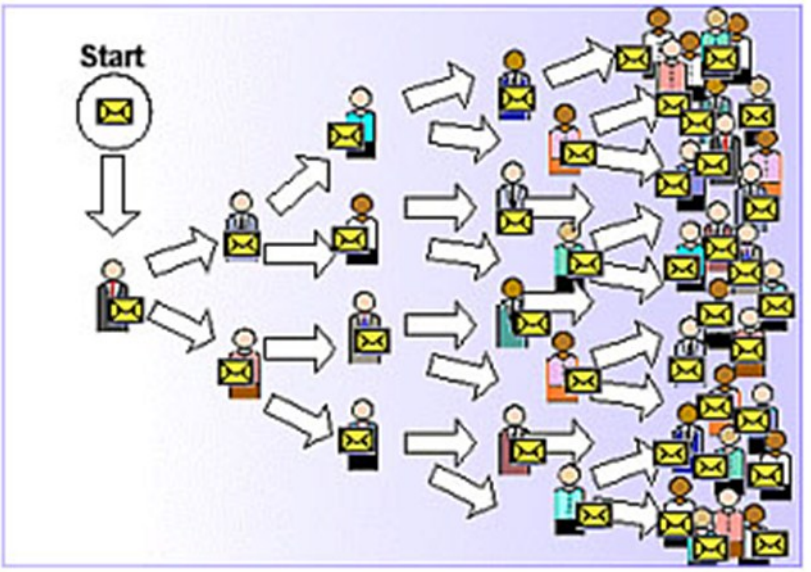
This isn't a new concept ,it is already used by many of the biggies and after the globalization & post era of internet fostered the usability of Viral marketing . Originally the viral marketing term coined from the word "word-of-mouth" , "creating a buzz", "leveraging the media", "network marketing" but when the word of mouth is done through internet called as Viral Marketing ,I call it as "Word-of-Mouse"
The classic example of viral marketing is Hotmail.com , the free website for email services before the millions hit on Kolaveri :-
Give away free e-mail addresses and services,
Attach a simple tag at the bottom of every free message sent out: "Get your private,

Delete box or place a tag line or quote here. Delete box or place a tag line or quote here.

Delete box or place a tag line or quote here. Delete box or place a tag line or quote here.

free email at http://www.hotmail.com" and,
Then stand back while people e-mail to their own network of friends and associates,
Who see the message,
Sign up for their own free e-mail service, and then
Propel the message still wider to their own ever-increasing circles of friends and associates.

Kolaveri di officially released on 16th nov. within a month it touched the sky . There are six reason for the success of this Flop song –



Free product or Services :- Give away the free information , goods or services to attract attention . Viral marketing practices the "Delayed Gratification" concept coined by M. Scott Peck in "The Road Less Travelled" – Now the Kolaveri is freely available on youtube ,every one can watch free of cost . Dhanush may not profit today or tomorrow but they generate a groundswell of interest from something free they know . They will profit soon and for the rest of their life . The kolaveri song makes it listener to watch his movie whenever it be released , if it doesn't happen then also in longterm the goodwill of kolaveri make his fans to go for the upcoming song or movie .

Effortless transfer to others :- In the FLU season ,Doctors offers sage advice to away from people who have cough , wash hands regularly, don't touch your mouth, eyes , nose etc. Virses only spread when they are easy to transmit. Viral marketing works brilliantly on net because instant communication become so easy and inexpensive . If A shares "Kolaveri" song in her facebook account , she having 500 friends , that one click advertised "Kolaveri" song in 500 profiles & the friends of those 500 friends of A will also get a notification about that song (originally that one click is the probable click of 500*500 (assumed that all having 500 friends))

Scales easily from small to very large :- To spread like wildfire , transmission method must be rapidly scalable from small to very large . As I earlier discussed about the facebook sharing . Thanks to Mark for adding such facility to share anything which

can be viewed by friend-of-friends. One click can go to 2,50,000 people at a time .
Use Existing communication networks :- no need to establish a fresh communication networks for the “go viral” just use the existing one , it’s very easy & economical . As Kolaveri did used the existing one – facebook, Twitter, LinkedIn, Google+ etc . there is zero cost involved with these social sites but the popularity is so much that you can reach more than 20 million viewers in less than a motnth.
Take advantages of others resources :- The most creative viral marketing plans use others' resources to get the word out. Affiliate programs, for example, place text or graphic links on others' websites. Authors who give away free articles, seek to position their articles on others' webpages . It is a buzz that “Kolaveri” has been leaked , it wasn’t available on their website but was on Youtube .
Viral Marketing is the way by which kolaveri has been promoted into the market but it also the lyric which enabled the listener to click again & again . Now at the age of Information Technology I think it’s the best way to promote your product or service .
“Everything is fair in Competition”

Marketer Paradigm

1. Name the marketing legend who first coined the word Privatization in his book "The age of discontinuity"?

   A) Peter F. Drucker
   B) Henry Fayol
   C) Jack Welch
   D) William wolf

2. Which company coined the term "Born Global" firms in the year 1993?

   A) McDonald
   B) KFC
   C) McKinsey
   D) GE

3. What is known as "Demand Spillover"?

   A) Sale of a Product at lower price generates the demand
   B) Sale of a product with more facilities than to competitors generates demand
   C) Sale of products under reputed co./ Brand Generates more demand
   D) Sale of a product or brand in one country market generates demand in an other country

4. Which company launched '.Beat' range of hi-tech watches in India?

   A) Titan
   B) Fossil
   C) Casio
   D) Swatch

5. Branding is a :-

   A) Product Decision
   B) Place Decision
   C) Price Decision
   D) Promotional Decision

6. Name the personality who coined the term 'Marketing Myopia ?

   A) Theodere Levitt
   B) Peter F Drucker
   C) Koontz
   D) Mary L Baetz

ANSWERS :-

1- PETER F DRUCKER
2- MCKINSEY
3- SALE OF A PRODUCT OR BRAND IN ONE COUNTRY MARKET GENERATES DEMAND IN AN OTHER COUNTRY
4- SWATCH
5-PRODUCT DECISION
6- THEODERE LEVITT

SPECIAL REPORT

STEVE JOBS

By Sanjeet K Sharma

Name : Steven Paul Jobs
Date of Birth : Feb 24th , 1955
(Sanfrancisco, California US)
Spouse: Laurene Powell
Sister : Mona Simpson
Children : Lisa,Eve, Erin,Reed
Occupation : Co-Founder , Chairman & CEO (Apple Inc)
CEO-Pixar Animation Studio
Co-Founder & CEO –NeXT Inc
Death : Oct 5th , 2011 (Palo Alto , California US)

Steve Jobs "The wizard of Personal Computer Revolution" who put the music on the way died by leaving print of paradigm technology.
The fairytale starts from his birth. Born to a Syrian father and an American mother, Apple's Ex CEO Steve Jobs was up for adoption, put up by his parents, and he was brought up by his adopted parents. His travel to India in search for peace, led him to believe in the teachings of Buddhism, and he became a firm Buddhist after his return from India. He even came back with a shaved head. However, the real turning point in his life came, when he began working on the

he founded Apple along with Steve Wozniak and that was where the journey to stardom began for Apple .

The achievements of the wizards are—

1. In the mid 1970's, Apple came out with a trial version of personal computer. It was created only for few professionals, and tech lovers .

2. A year later, Apple II was launched, with Steve Jobs at Apple's helm of affairs. It was created in huge numbers and Apple II was considered as a successful product .

3. However, the first real commercial computer came with Apple's Lisa computer in the year 1983, with many modern elements of computer designed with the product.

4. A year later, Apple's Mackintosh was launched. The difference being that a graphical interface was

game 'Breakout', a

advertised, and more importantly, Mackintosh, was cheaper than the earlier launched products.

5. Steve Jobs was thrown out of Apple in the mid 1980's. He came out with NeXT computer in the year 1989. NeXT computer was involved in business development projects. But Apple needed Steve Jobs, as the company found itself in dire straits. The struggling firm again reinstated Steve Jobs back to its fold, by buying NeXT Computer.

6. He came as Apple's CEO in the year 1997, and transformed the fortunes of Apple. His first act was to design IMac a year later. It was an instant hit, as the all in one desktop computer featured advanced HD graphics, and quad core processors. The newly designed product lifted Apple from the clutches of a fall, and back to winning ways. It was the beginning of a new era for Apple, as the computer giant made great strides under Apple CEO Steve Jobs .

7. In the year 2001, Apple came out with a popular digital music player called IPod. The portable IPod was again the first of its kind in the new series of iphone's and tablet computers.

8. Steve Jobs was simply unstoppable, and there was the new ITunes store two years later.

9. In the year 2007, the first Iphone was launched by Apple under Steve Jobs. It was one of a kind of Smartphone, designed to enhance a user experience. Iphone was an inspiration for many mobile makers across the world, and it is still now for many Smartphones manufacturers.

10. The final major achievement of Steve Jobs was the IPad in the year 2010. It was an invention, which made the world sit back and notice this man with a genius mind.

The Most Inspirational quote of Steve -

" STAY HUNGRY .STAY FOOLISH"

Balancing the equation of corruption free society

By Ritesh Pandey

Anything that we do in our life is consciously or unconsciously guided by the equation of Investments and Returns. Here Investments and Returns do not always means Investments and Returns in terms of money. Investments can be in terms of money, time, love, emotional support etc and so does Returns i.e. it can be in terms of money, time, social status, self respect, confidence, political votes etc. But that is for sure that we would naturally tend to invest more on those things which will give us bigger Returns i.e. if investments in corrupt practices yield us more returns than we would naturally invest in corrupt practices and also vice-versa.

Now monetary corruption in our public life is seems to be zooming very rapidly decade by decade, year by year and even perhaps by each passing day. It means somehow people are giving more importance to Returns in money terms than returns in terms of self respect or honesty. So the million dollar question is what is the reason behind such public behaviors, which is incentivizing returns in terms of money and disincentivising returns in terms of self respect, honesty and probity ?. The real culprit here is the concept of GDP or more particularly say the attitude of "public life" of calculating social status of any person mainly by taking single parameter i.e. GDP or more straightly say income. While attaching a social status to any person we seldom take in parameters like honesty, probity, hard work etc and neither does the process of calculating GDP takes in those parameters. We all want a good social status (Returns) and the conception, which became popular after the inception of the concept of GDP in our society, that it is reflected by how much money, assets, gold or bank balance (Returns) etc that we have is incentivizing the Investments in corrupt practices as favorably Investments in corrupt practices yields high Returns in terms of money and hence in terms of social status than its counterpart honest practices.

But these two concepts i.e. the concept "Investment and Returns" and that of "GDP" is here to stay so all we could do to achieve the goal of corruption free society is to incentivize Investment in honest practices by making it yield more and disincentivize the Investment in corrupt practices either by inducing Risk or by making it to yield less than its counterpart honest one.

For the same reason when someone is plucking the strings of Lokpal, someone of reforms and someone of technology it

become really hard to solve this messy puzzle, solving which we will get what we wanted to for a long time i.e. corruption free society. This is where Politics and Religion should come and take the stage as protagonists. Religion is to "guide" public life; on the other hand Politics (Raj + Niti) is to "administer" public life through appropriate policies (though it has taken a new meaning in past few decades). It is perhaps in this context that Mahatma Gandhi*ji* wrote in his autobiography:

"*I can say without the slightest hesitation, and yet in all humility, that those who say religion has nothing to do with politics do not know what religion means*".

Though while writing this he must have assumed that those people know the meaning of Politics and indeed that assumption must be true as absence of corruption was among the hallmarks of Indian political virtue till 1950s.

So how Religion can guide our politicians to make suitable policies that can administer "public life" efficiently and honestly?

Just by over viewing any of the Religion we can see very clearly that in our religions there are two basic concepts and that are the concept of "Heaven" and that of "Hell". The concept of Hell basically works by inducing high risk in the equation of seeking high returns through investment in corrupt practices. That is what exactly a strong Lokpal, for which Anna Hazre and team are campaigning, will do. It will induce high risk in the practice of investment in corrupt practices and hence will act as disincentivising agent for corruption but unfortunately Anna Hazare and team are not considering any option that will do the work of Heaven i.e. to incentivize investment in honest practices. He is not taking into account the points put forward by pro-reformists like Jagdish Bhagwati, Swaminathan Aiyar etc and even Anna's recent comments on governments decision to open up retail sector for FDI shows that perhaps he is opposed to the role of heaven on a whole to achieve goal of corruption free society while it is clear from our religions that we need both i.e. hell and heaven in "right proportion".

On the other hand Reforms will play the functions of Heaven that will incentivize the investments in honest practices. For example after "Political reforms" it is quite clear that political parties will collect money through legitimate methods as through this they can invest those money openly and hence may increase their fortunes even more while on the other hand in such case if they invest still in corrupt practices they will lose the opportunity of increasing their fortunes with the added risk of Lokpal. So this will institutionalized the political funding system hence eradicate corruption from among top or consider another example that carrying dollars abroad legitimately is better option than investing in hawala But again the pro reformists like

Jagdish Bhagwati etc are not considering the points put forward by Anna Hazare and team and think that they(Anna & Team) do not understand the nature of beast to be tamed as in an article published in Times of India(3 sept 2011) Jagdish Bhagwati wrote : "*Just as the witticism in American politics today is that the intellectually challenged Tea Party activists are pitted against the snobbish Coffee House elites, a witticism for the current Indian situation is that 'Anna' Hazare is taking on what we might call the 'Rupaiah' politicians and bureaucrats who have corrupted Indian governance. Indeed, he is. But if he is to flog the problem, instead of flagging it, the nature of the beast to be tamed must be understood.*" It seems that they think that only heaven is enough for achieving the goal of corruption free India.

We need both the concept to free our society from corruption. And the interesting thing is that this duo dance of "hell and heaven" will generate huge development and not just growth as by product. But now question arises that in which proportion we need these two to accomplish our goal. Again Religion can help us determine this. Now honestly I have not read any of the religious books except Mahabharat and Ramayan that too in my school days in the name of "Hindi Sahitya" but if we just overview our religious books it became clear that we heard, saw or read much about the Heaven in comparison to Hell. There are many stories about how the heaven looks? Who live there? and about the life inside but comparatively we have heard much less of hell. So here too we need to follow the same proportion. So it will look like one Anna hazare and say something like ten Jagdish Bhagwati when combined will yield corruption free India as main product and Development as by product. Isn't it seems like something is still missing in this "Ideological Reaction"? Yes it is the catalyst and the enabling environment.

Now for finding suitable catalyst and enabling environment again let's look at religion. Tell me is there any real window through which we interact with God? There isn't any such window though there are many "virtual windows" like Temples, Mosques, Churches, Gurudwaras etc and that too in large number i.e. they are easily accessible. Now this is where the points of technocrats like Nandan Nilekani should be considered. They are saying to use technology effectively for reducing the real windows with which we interact with government officers and convert them in virtual windows while working hard to ensure the accessibility of that virtual windows to the large mass of people that can be achieved quiet efficiently given the Indian IT which has all the expertise and experience. And again this will also incentivize investment in honest practice for example if I buy a railway ticket by my own using the legitimate online process then I could save some money which would be used as

commission of agent had I opted that process. In the same manner what if contracts are allocated through transparent online bidding process? And what if transfer of land or registries of land be done through online process with government officers sitting on the other end could use technologies like live satellite picture to ensure that the right entries are made by the user regarding area and location or other details? Ofcourse we cannot shut down every real window but we could do it to as many as we can.

So if we jot down the approximately "***Balanced Ideological (if not chemical) Equation***" than it would be like the following one:

$$\text{1 Anna Hazare} + \text{10 Jagdish Bhagwati} \xrightarrow{\text{Nandan Nilekani}} \text{Corruption free India} + \text{Development}\uparrow$$

So final equation is one Anna Hazare when combined with something like ten Jagdish Bhagwati in an environment of Nandan Nilekani yields corruption free society as main product and development as by product and this byproduct is capable enough to make 'the rocket' gain its full speed .

Tune yourself

1. The river which carries maximum quantity of water into the sea is the .
   - A) Mississippi
   - B) Atlantic Sea
   - C) Southern Ocean
   - D) Arctic Ocean

2. The length of English Channel is -
   - A) 563 km
   - B) 569 km
   - C) 555 km
   - D) 564 km

3. Development expenditure of the Central government does not include
   - A) Expenditure on economic services
   - B) Defense expenditure
   - C) Grant to states
   - D) Expenditure on social and Community services

4. Gilt-edged market means
   - A) Bullion market
   - B) Market of government securities
   - C) Market of guns
   - D) Market of pure metals

5. In the last one decade, which one among the following sectors has attracted the highest foreign direct investment inflows into India?
   - A) Chemicals other than fertilizers
   - B) Services sector
   - C) Food Processing
   - D) Telecommunication

6. The currency convertibility concept in its original form originated in -
   - A) Wells Agreement
   - B) Taylors Agreement
   - C) Bretton Woods Agreement
   - D) None of the above

ANSWERS :-

1- MISSISSIPPI
2- 564 KM
3- DEFENCE EXPENDITURE
4- MARKET OF GOVT. SECURITIES
5-TELECOMMUNICATION
6- BRETTON WOODS AGREEMENT

Micro finance in India past present and future -A snap shot

By Raju Sharma

"Microfinance is not a charity. It is a way to extend the same rights and services to low -income households that are available to everyone else. It is recognition that poor people are the solution, not the problem."

- Kofi Annan, Secretary General, United Nations in 2004.

India has one of most extensive banking infrastructures in the world. However, millions of poor people in India do not have access to basic banking services like savings and credit. In the mid-1990s, about 70% of India's population lives in rural areas which account for only 30% of the bank deposits. About 70% of the rural poor do not have bank accounts and 87% of them do not have access to credit from banks. In the same period, the share of non-institutional agencies including traders, money lenders, friends and relatives in the outstanding cash dues of rural households was 36% .

In the past, both public and private commercial banks in India perceived rural banking as a high-risk, high-cost business i.e. a business with high transaction costs and high levels of uncertainty. Rural borrowers, on their part, felt that banking procedures were cumbersome and that banks were not very willing to give them credit. The Reserve Bank of India (RBI) and NABARD were actively involved in spreading the network of commercial banks in rural areas, especially after nationalization. RBI had made it compulsory for all private sector banks to open at least 25% of their branches in rural and semi-urban areas. It is also stipulated that 40%of net bank credit should be allotted to sectors categorized as priority sector, like housing, rural development and agriculture. with these measures, commercial bank did move into rural areas but the advance given to poor remained very low .

In the early 1980s, NABARD study found that though the network of rural bank branches had been trying to create self employment opportunities by providing bank credit for over two decades, many poor people remained outside the purview of the formal banking system. The existing banking policies, procedures and systems including deposit and loan products were not tailored to the requirements of the poor. To improve the accessibility of existing banking network to poor ,the self help group- bank linkage model was launched in 1992 with a pilot project for promoting 500 self help groups(SHGs) . The objective of micro finance initiative was to facilitate

empowerment of the poor, while pursuing the macroeconomic objective of overall economic growth. Poor required better access to services and products rather than subsidized credit.

Close to two decades after emergence of micro finance concept in India, microfinance has matured from being a pure development activity to also being an economic driver at the grassroots level. Microfinance is perceived as an effective channel for ensuring financial inclusion of the low income population and those in the informal sector.

Microfinance, or micro-credit, typically comprises very small-sized loans of about Rs5000 extended to an individual or a group of individuals, which are called self-help groups (SHGs). Borrowers are generally from the weaker sections of society.

The Indian microfinance industry comprises NGOs, trusts or societies working on a not-for-profit model, and even bigger players – like Spandana, SKS, Basix, Share Microfin in Andhra Pradesh, Cashpor in Uttar Pradesh, Grameen Koota in Karnataka – which work on a for-profit model.

India's fledgling microfinance industry has proliferated in recent years on the back of a concerted public-private push to provide greater finance services (primarily small-scale loans) to India's rural communities, Several MFIs have also discovered the potential in lending to the urban poor. And all this has played a major role in the grassroots economic dynamism that we have witnessed in recent years. The industry's biggest players have enjoyed spectacular growth and profitability, with asset expansion averaging 117.3% per annum over the past five years. Despite such growth, estimates suggest that the current supply of micro-credit amounts to only about seven per cent of potential demand. The market size for microfinance in India is in the range of 58 to 77 million clients, assuming the entire poor population of the country represents potential customers. Thanks to the high growth rate and the huge demand-supply gap, the sector is attracting several new players. One reason that microfinance is a much sought business, because of higher interest rates charged for loans by MFIs (though final return on assets is much lower at about two to three per cent due to higher operational costs and interest charges). At 24 per cent, the interest rates are much higher than the average interest rates of about eight to 12 per cent enjoyed by middle class borrowers. However, they are still cheaper than the rates charged by local moneylenders, which can be as high as 500 per cent. Hence, MFIs are the preferred option for the poor, who need very small-sized loans and convenient repayment options. As these institutions provide loans without any collateral security so Banks find it difficult to lend to MFIs in the absence of sufficient collateral. Hence, several MFIs like Biswa, Grameen Kuta in Bangalore and

Bandhan in West Bengal have transformed themselves into non-banking finance companies (NBFCs) to widen their capital base.

However, such an aggressive expansion of profit-seeking firms operating in low-income and underpenetrated areas of the country has been an uneasy development for many of India's state-level governments.The Indian microfinance industry, one of the country's fastest growing sub-sectors, is facing serious headwinds due to the increasing politicisation of the industry. In early October 2010, the government of Andra Pradesh (AP) - India's fifth most populous state and most heavily dependent on microfinance activity - passed an ordinance forcing key players to lower their lending rates; ordering the arrest of microfinance institution (MFI) employees suspected of 'coercion'; and restricting the regularity of collections.

These decrees have triggered a wave of delayed disbursements and abandoned repayment schedules, catapulting default rates into the double digits (from an estimated 2% prior to the announcements) and raising serious question marks over future growth in the industry. The share price of SKS Financial, India's largest and only listed MFI, has tumbled 45% since the AP regulations came into place. The AP government claims that their intervention was the result of a spate of suicides in the region due to exorbitant repayment rates and bullying tactics employed by the MFIs. They also allege that aggressive MFI expansion has led to individuals taking on much more debt that they can ever afford to pay back.

Regardless of the rationale, India's MFI industry looks to be entering choppy waters given the size of the AP market. As a result of the government's implicit backing of suspended payments, we expect to see a drying up of disbursements, a shrinking loan book, a contraction in margins, and deterioration in asset performance in the coming months. Moreover, there is a risk that anti-MFI sentiment will spread to other Indian states.

Regulatory and political risks, highlighted by events in Andhra Pradesh (AP), bring new challenges to the Indian microfinance sector in the short to medium term. These risks are common to the microfinance sector globally, an industry that is evolving from being largely unregulated and has the underprivileged as its target client base.

An uneven playing field could emerge if regulations are set by different bodies and not applied uniformly to all sector participants. Should India implement transparent and uniform regulations, this would add a level of certainty to a previously underregulated sector, thereby reducing risk. However, different layers of regulations at various levels and across states is a possibility, with both the Reserve Bank of India (RBI) and the Andhra Pradesh government seeking to regulate the sector which has the

potential of creating an uneven playing field, and increases the risk of unintended consequences.

However, funding is likely to remain constrained as commercial investors reassess the risks in the sector as MFIs adjust to the new paradigm. It is likely that directed or more socially orientated funding or even grant funding will be needed to supplement existing funding to support lending growth in the near term or to keep less viable institutions afloat.

Loans in AP have been the most affected of all India's regions by the regulatory uncertainty, with collection efficiencies dropping from 99% in September 2010 to under 50% in December 2010. As a result, banks (which account for 80% of MFIs' borrowings) have virtually stopped disbursements to the sector.

Resolution of the regulatory uncertainty is therefore key to the industry's immediate future. Continuation of the "priority" sector status for loans to MFIs would, however, be an important consideration.

Having a common and consistent set of regulations would add stability to MFIs' operations, and enhance creditor comfort.

Paradigm Fin-Galaxy

1. Which bank is promoted by 20th Century Finance Corporation and Keppel Tatlee Bank of Singapore in India?
   - A) Bank of Singapore
   - B) DBS Bank Limited
   - C) Centurion Bank
   - D) Far Eastern Bank Limited

2. Name the first Indian women CEO of a Foreign Bank
   - A) Chanda Kochhar
   - B) Tarini Vaidya
   - C) Shikha Sharma
   - D) Indra Nooyi

3. Who Founded the famous Wall Street Journal ?
   - A) Charles Dow & Edward Jones
   - B) Edward Phillip
   - C) Warren Buffet
   - D) Hilary Bach

4. Name the person who introduced the "Double Entry Book Keeping " concept .
   - A) Sir Jones
   - B) Lucas Pacioli
   - C) Mrs. King
   - D) L. Philip

5. Which is India's first Equipment Bank launched recently by SREI International Finance Ltd.?
   - A) SIDBI
   - B) QUIPO
   - C) EXIM Bank
   - D) HDFC

6. Which country's foreign market is known as 'Rembrandt Market'?
   - A) Poland
   - B) Ireland
   - C) Zimbabwe
   - D) The Netherland

ANSWERS :-

1- CENTURION BANK
2- TARINI VAIDYA
3- CHARLES DOE & EDWARD JONES
4- LUCAS PACIOLI
5-QUIPO
6- THE NETHERLAND

It Is Better To Rule In Hell Than To Serve In Heaven

By Krishna Sharma

It is one of many famous lines from the epic poem "Paradise Lost" by "John Milton" and it is all about freedom v/s slavery. To account for points in favor of freedom I would talk first about the self respect, the place and people you prefer to work with and the kind of job you like doing. Being carrier oriented I would compare it with working as a data collector as compared to a clerk in a firm which has established just with no recognition, doing work which neither excites you nor matches your profile, and you just continue with that job because there is a good name attached to it, or you work with a small under developed firm, as vice president and work hard in order to improve the condition of that firm and move towards development, the choice lies upon the person itself.

We're all stubborn now and then and like to have our way, even if it means suffering for a time. We all reject the sour grapes, even though they really aren't sour. Our pride makes us condemn them as sour.

So there comes self respect into play. There comes preference into play. But at the end what matters is self satisfaction about the kind of achievements u have in life, the contribution u give to ur job and the quality of work u do.

It happens in every moment while people make choices and take decisions to be a ruler or server. It does not only change your life condition only but make you psychology impacted. For example we have just seen the economic conditions going from recession where maximum corner of the world got affected. Now if company starts lay-off then people just give their best to continue their job so that they are not kicked off.

Here they might not get all the facilities they were getting previously but then also they would like to continue inspite of the bad working conditions or unhealthy situations.

It is not always that the firms that look like hell will be actually the names implication.

A story:-

A person was hired in company X and Y. Now before joining the company he goes for research that what is the company's condition. So now he asks some of his relatives about the company. After this he got to know that company X has very good working condition and company Y does not. So after this research he decides to join X but after joining he realizes that the company gives facility but does not

allow decision making neither do they allow to take leave but company Y where his friends are working were more satisfied as they were given more of freedom to do activities.

Now the heaven where we get everything but are treated like slaves in the organization, person is just like a slave where he/she gets all facility to act like a slave and on the other side just the vice versa. So here comes the dilemma that person now wants to be slave of heaven or ruler of hell. So every hell is not hell and every heaven is not a heaven.he decides to join X but after joining he realizes that the company gives facility but does not allow decision making neither do they allow to take leave but company Y where his friends are working were more satisfied as they were given more of freedom to do activities.

Now the heaven where we get everything but are treated like slaves in the organization, person is just like a slave where he/she gets all facility to act like a slave and on the other side just the vice versa. So here comes the dilemma that person now wants to be slave of heaven or ruler of hell. So every hell is not hell and every heaven is not a heaven.

Golden Pages of Weird Experiences'Where Organization Live '

By Harish Kumar

"Past is the happening that can be seen in the mirror of future and has impact on the present" ,

that's the irony that we face in our daily life by not giving priority to present more than the past or future .

We want to have future such that our name on the plaque will be followed by others but , Is it that we will get by using the stones of past on that plaque , not at all !

Is it that stone which decides that how we want to get the 3 P's of life in connotation to several P's of Marketing ?

The strategic planning of getting these 3 P's *"power" (AUTHORITY,STATUS) ,"paisa" (MONEY, WEALTH) , "Pehchan" (IDENTITY)* are the deciding factor for our future growth and even for any XXXL company .

Past figures are useful only if it shows something in quantitative terms otherwise subjectivity in today's competitive & changing arena will have no relevance .Even subjectivity now a days is changing to objectivity ,qualitative to quantitative ,as everyone want to be ahead whether as individual or as company .

We think that only we have life span to live but what about products and companies whose life span starts with Initiator(BIRTH) à Growth(HEYDAY)à Maturity(FADING) àDecline(DEATH).

Both also passes from the same metaphorical stages/ levels of life through which they build relationship ,create loyality ,meet to death and take birth as a new company again through cycle continuous .Message created by one generation passes to another generation and implementation doesn't depend on the past generation but on the present generation who implements those valued ideas according to the current situation..following the path of "Sense and RESPONSE" in the real time .Companies like TATA….100 Years of inception ---- makes it *SYMBOL OF TRUST* not by what its owner had created at a time of inception only in fact its basically result of several years of continuous dedication and determination by which values are handed over generation to generation .

Human body itself is the symbol of proper functioning of complex system and if any part of it get infected or diseased or mishandled the whole system get collapsed.which seize our limits in turn. It's the stage where straddling with different alternatives we have to make decisions for our own our company as whole.

“Gone are the days When There is much to learn from past , because each and every moment of present is itself is "The Past for the future” so live the present or leave the present.

~~~..cHOIce IS OURs....~~~
~~~

HUL

By **Dharak Desai**

INCEPTION

William Hesketh Lever and James Darcy Lever founded a soap manufacturing company named Lever Brothers in 1885 and in 1888 they shipped crates full of sunlight soaps to Kolkata harbour and thus began the era of FMCG marketing in India. Lever brothers merged with Margarine Unie in 1930 and formed Unilever. Unilever set up its first Indian subsidiary in Hindustan Vanaspati Manufacturing Company in 1931 then Lever Brothers India Limited in 1933 and United Traders Limited in 1935. Hindustan Lever Limited was formed with the merger of above three companies in 1956 and in 2007 the company's name was changed to Hindustan Unilever Limited.

EARLY YEARS

The Company offered 10% of its stake to Indian public and became the first Indian subsidiary to have done so. The company internationally acquired Brooke Bond & Co. India Limited, functioning since 1900, in 1984 and Pond's India Limited, functioning since 1947, in 1986. Since its inception the company has performed exceptionally well in the sector and grew exponentially along with series of mergers & acquisitions waiting in near future. Company was manufacturing soaps and beauty products along with tea products then.

GROWTH:

The Company later adopted strategy of aggressive mergers & acquisitions, after the liberalization of the Indian economy started in 1991, which is clearly shown as below:

A. Merger with TOMCO and Lakme Limited in 1993 and 1996 respectively.
B. Acquisition of Kissan from UB Group and Dollops ice cream from Cadbury in 1993.
C. Merger with Kimberly Clark Corporation and Kwality Ice cream group in 1994.
D. Brooke Bond India and Lipton India merged and incorporated BBIL
E. BBIL later merged with HUL in 1996 and Pond's India merged in 1998

Above stated mergers lead the company to become FMCG giant and meanwhile the company launched its subsidiary in Nepal namely, Unilever Nepal Limited the factory of which manufactures products like Soaps, Detergents and personal products for HUL for the purpose of exporting them to India and selling in domestic market as well. The company was awarded with 74%

stake in Modern Foods in 2000 and in 2002 HUL acquired the remaining stake. The company continued to acquire various companies and added more products to its product line. The company posted net profits of Rs. 1641.31 Crores, growth of 25.28% for the year ended December, 2001 and the growth spree continued. HUL is also a front runner in CSR as it had launched projects like Project Shakti and adopted Shaktiman Model. The company has research centres at Mumbai and Bangalore for innovating new products.

CURRENT STATUS & FUTURE:

The Company currently has over 35 brands under its umbrella and it has flourished under the leadership of Chairman, Harish Manwani and CEO & MD, Nitin Paranjpe with the products in Home & Personal Care and Food & Beverages market. The company recorded revenue of Rs. 19987.14 Crore for the year ended March 2011 and with an employee base of over 65000 people. It holds the record of consistently having largest number of its brands featuring in the list of Top 50 Most Trusted Brands. Company's distributes its products through a channel of 6.3 million outlets and over 700 million people across the country use their product which implies the mammoth operations and reach of the company.

The company's products are as follows:

A. Kwality Wall's ice cream and Knorr soups & meal makers,
B. Soaps such as Lifebuoy, Lux, Pears, Breeze, Liril, Rexona, Hamam and Moti
C. Pure it water purifier and teas like Lipton tea, Brooke tea, Bru coffee
D. Mouth products such as Pepsodent and Close Up toothpaste and brushes
E. Detergents like Surf, Rin and Wheel laundry detergents, Kissan squashes and jams, Annapurna salt and atta
F. Beauty products such as Pond's talc and creams, Vaseline lotions, Fair and Lovely creams, Lakmé beauty products, Clear, Clinic Plus, Clinic All Clear, Sunsilk and Dove shampoos
G. Lastly Vim dish wash, Ala bleach, Domex disinfectant, Modern Bread, Axe deosprays and Comfort fabric softeners.

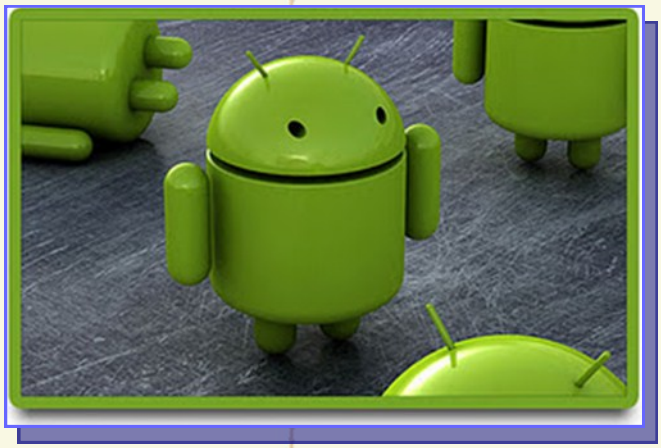
The Company has dominated the FMCG sector in the country and is expected to lead the sector in the future as well along with the strategy of cutting down its products with losses from the product line and the company has decided to continue with the products only that are profits yielding. Thus the company is expected to even grow further and expand itself globally as well.

TRIVIA: HUL has consistently had largest number of its brands to have featured in the list of Top 50 Most Trusted Brands.

ANDROID : A new generation Mobile OS

By Sandip Kumar Sharma

The mobile community is growing day by day. All mobile users demands more choices, more opportunities to customize their phones, and all mobile operators want to provide value-added content to their subscriber in a manageable and profitable way. Mobile developer wants to develop the more powerful application for mobile and as well as their users. And finally, handset manufactures want a stable, secure, and affordable platform to power their devices.



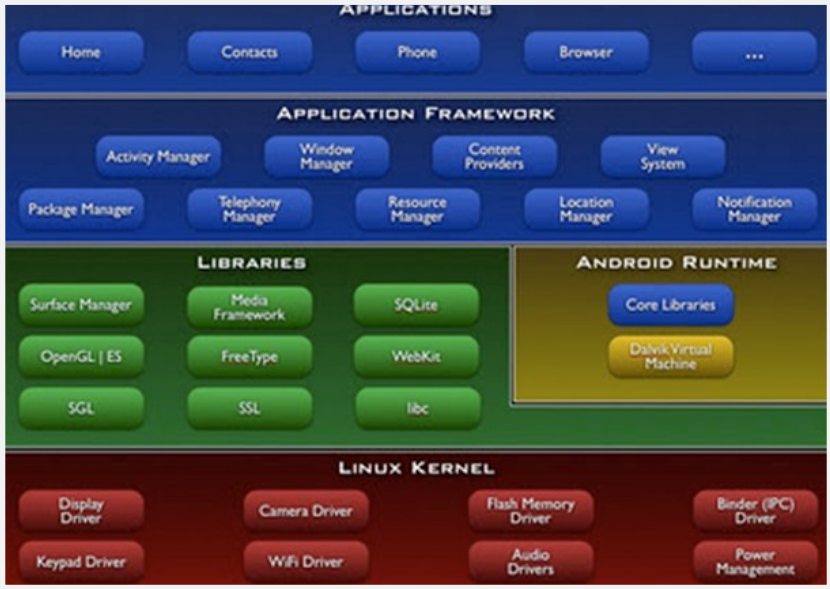
There are too many mobile operating system such as Windows, apple i-Phone, Symbian S40, S60 3rd and 5th edition and now latest mobile OS is Android. The latest version, Symbian^3, was officially released in Q4 2010, first used in the Nokia N8. A mobile OS that controls a mobile device similar in principal to an operating system of Computers such as Linux, Windows, Mac Os X.

Android is an operating system for mobile device such as smart phones and tablet computers. The first Google phone was the G1, a handset manufactured by a company based in Taiwan called the High Tech Computer Corporation (HTC). The first service provider to support Android in the United States was T-Mobile. Android is developed by the Open Handset Alliance led by Google. Google purchased the initial developer of the software, Android Inc., in 2005.The unveiling of the Android distribution on November 5, 2007 was announced with the founding of the Open Handed Alliance, a consortium of 84 hardware, software and telecommunication companies devoted to advancing open standards for mobile phones.

Android consists of a kernel based on the Linux Kernel with middleware libraries and API's(Application Programming Interfaces) written in C and Ap-

plication software running on an application framework. Which includes Java-compitable libraries based on Apache Harmony. Every Android application runs in its own process, with its own instance of the Dalvik virtual machine. The Dalvik virtual machine executes files in the Dalvik Executable (.dex) format which is optimized for minimal memory footprint. The virtual machine is register-based, and runs classes compiled by a Java language compiler that have been transformed into the .dex format by the included "dx" tool.

Android Architecture:
The below diagram shows the Android architecture of the Android Mobile OS.



Applications: Android has a lots of core applications including an email client, SMS, MMS, Audio message program, calendar, maps, browser, contacts, Open office, Gps, and more. All applications are written using the Java programming language.

Application Framework: Android offers developers the ability to build extremely rich and innovative applications. Developers are free to take advantage of the device hardware, access location information, run background services, set alarms, add notifications to the status bar, widgets and much.

Libraries: Android includes a set of C/C++ libraries used by various components of the Android system. These capabilities are exposed to developers through the Android application framework. Some of the core libraries are listed below:

1. <u>System C library</u>: Android uses the BSD (Berkeley Software Distribution) which is derived from the implementation of the standard C system library (libc).
2. <u>Media libraries:</u> This includes the Video format supported by phone. This libraries support playback and recording of many

popular audio and video formats, as well as static image files, including MPEG4, H.264, MP3, AAC, AMR, JPG, and PNG.

3. **Surface Manager:** It also support 2D and 3D graphic layers from multiple applications which is a eye catching facilities.
4. **LibWeb Core:** A in-built modern web browser engine which powers both the Android browser and an embeddable web view.
5. **SGL:** SGL consists of a set of cross-platform C++ libraries, built on top of OpenGL, which implements 3D scene graph functionality some simple 3D model loaders (sgldb, sglobj, sgl3ds).
6. **3D libraries:** It is an implementation based on OpenGL ES 1.0 APIs; the libraries use either hardware 3D acceleration (where available) or the included, highly optimized 3D software rasterizer (The Rasterizer is a Java software that generates .pdf files from images (such as .jpeg, .gif, .png, .tiff are image format)).
7. **Free Type:** It also supports bitmap and vector font rendering(Rendering is the process of generating an image from a 2D to 3D model).

SQLite :This is most powerful and light-weight relational database engine available to all applications.

Android Runtime: Android includes a set of core libraries that provides most of the functionality available in the core libraries of the Java programming language.

Every Android application runs in its own process, with its own instance of the Dalvik virtual machine. The Dalvik virtual machine executes files in the Dalvik Executable (.dex) format which is optimized for minimal memory footprint. The virtual machine is register-based, and runs classes compiled by a Java language compiler that have been transformed into the .dex format by the included "dx" tool.

Linux Kernel: Android relies on Linux version 2.6 for core system services such as security, memory management, process management, network stack, and driver model. The kernel also acts as an abstraction layer between the hardware and the rest of the software stack.

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SMOKY MIRROR "*The Indian Economy*"

By Sanjeet K Sharma

"Ban gaya patta dekho ban gaya kutta " , my cell rang ,Sweety was blinking on the screen .
I picked up the phone ,
"Yes, Ms IIM-Ahmedabad" , I said
"Mr. Hyderabad itz 9:30 ,get up and if you aren't forgetting – today is Friday and you have promised me something" , she said
"OMG, Shopping : Asansol ,how can I forget that", I said
'Yeah !!' she said
"Be ready within half an hour" ,I said & cut the phone .
"Mom , where is the car key", I said
"Don't drive more than 80 km/h ,try to purchase necessary items , don't waste money on your fashionistic gadgets – while handling over the key & 5000 bucks" , mamma said
"Ok mamma" , I said
I looked back the Shanti Niketan(my house) & started the civic , crossed the mango Avenue and reached Bungalow no. 68 , blew the horn , she came & sat beside me .
"I love chittaranjan", she said
"I love Ms Goa", I said
(And we started laughing.)
"So, what you will shop today", I said
"Spykar jeans & T-shirts, Sandals , some cosmetics ,some chocolates and many more things" , she said
"Don't you think the things are became more dearer, so we should concentrate on saving rather than spending more & more" , I said
"India is developing man", she said
"So you believe that , rising prices are the symbol of a developing nation" , I said
"Most of the time" , she said
"In 2000 & 2008 , the prices of commodities as well as of the real estate was booming ,resulted in economic slowdown and it took almost 3 years to come out of it" , I said .
"This time Economic situation is favorable - as the Unemployment rate aren't decreasing in comparison to double dip recession", She added.
"Mam , RBI raised rates 11th time since march 2010 , FD rates are about 10%-11.5%,Education loan 13%-14.5%, this resulted it as the most aggressive Central Bank in the world . Food inflation stands at 10.63% , last week it was 11.81%, vegetable became 27.26% costlier , pulses are 14.41% dearer , Milk by 10.74% & Fuel by 15.49% even the rentals and real estate have almost doubled in just few months" , I said
"I accept , but if we will see the other side of the grass , on the consumer spending ,

there is no such change has been observed in the consumer buying pattern . The reason can be the rising income levels , as the prices of commodities are climbing up consumer's wallet is also being broaden up", she said.

"Increasing Inflation shorts your size of wallet ,Inflation hits the retired folks & poor as they have fixed income more. Have you ever noticed that the dairy milk is dearer than one month ago" , I added

"What ? The prices are same , am 100% damn sure" , she said *(with full of confidence)*

"You are right prices is same but the quantity has been reduced by 20-40% you pay only Rs.20/- for that Dairy Milk which was 50gms and now is 38gms , even most of the product prices are same but the quantity is reduced", I said.

"What ?" , she said amazingly.

(silence prevailed)

"We have entered into the Golden Quadrilateral NH", I said.

(But she was thinking something continuously)

"What can be the reason sanju" , she asked

"There are plethora of reason for rising inflation – one can be the *'Fall in the value of money'* ,as the US Vs INR is 52.325 , the foreign investors are investing more & more , it strengthen the foreign PPP & weaken the Local PPP . Now its very costly for any Indian to purchase any thing from abroad" , I said.

"Another reason can be the rising prices of the commodity (goods & Services)" *, she added & continued* "as the prices of crude oil is mounting up ,the prices of all commodities automatically increasing , even though the India imports 68% of crude oil from another countries for his consumption , so the internationally hike in the crude oil prices directly hits the Indian economy", she said.

"There is one simple yet very powerful reason for increasing inflation in India – Demand Supply mismatches. In Indian economy the demand of goods & services are more than the supply. So the prices are automatically driven up due to scarcity of resources", I said.

"As demand go higher each time , inflation will continue to rise.", she pointed out.

"Indian Economy is one of the strongest economy in the world , which tackles every problem very wisely , it's a pool of brains . The current economic situation indicating neither positive nor negative. The commodities market is surging up because the Securities market is jumbling down, It considered to be the heaven (specially Gold). If the Investor will keep investing in the economy and the liquidity has been maintained ,will result in positive employment and the chances of recession can be reduce." , I added.

"Hello !! back the car , we left the spykar showroom" , she said.

(I parked the car in front of Spykar Showroom)

"She shopped as much she wanted till 5 in the evening ."

Finally after a lot of shopping we proceeded to international hotel , ordered her favourite Chicken tikka & Rumali roti with Red Bull. Waiter served & presented the bill "we shocked 'last it was Rs.965 & now its Rs.1289 " "Inflation hits every Tom Dick & Harry" , she said.

"Shall we go" , I said.

"Hummm", she said .

We reached the bungalow no 68 at 7PM , we hugged n said bye to each other

As I started the car after 5-6 min , got a message –

"Loved the shopping, even U' ,wanna shop again !!

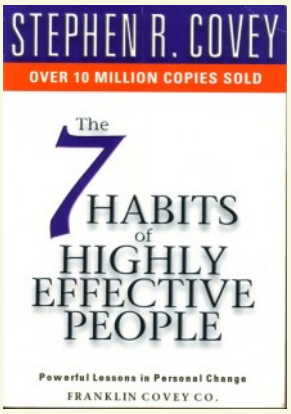
Tomorrow even. 4"Kernal Singh Park"

Dream Ms Goa !!!"

(This Article has been written on Nov 24th , 2011— Data are as per that date)

BOOK REVIEW

By Sanjeet K Sharma



BOOK NAME : The 7 Habits of a highly effective people
AUTHOR : Steven R. Covey

The Seven Habits are keys to success for people in all walks of life-

Habit 1— Be Proactive.

"Proactive people focus their efforts in their circle of influence, causing the circle of influence to increase Reactive people focus their effort in the circle of concern. The negative energy generated by that focus causes the circle of influence to shrink"

Habit 2—Begin with the end in mind.

"The key to the ability to change is a changeless sense of who you are, what you are about and what you value"

Habit 3— Put First thing First.

"The key to time management is not to prioritize what's on your schedule but to schedule your priorities"

Habit 4—Think win-win.

"You can only achieve win/win solutions with win/win processes"

Habit 5—Seek first to understand, then to be understood.

"We have such a tendency to fix things up with good advice, but often we fail to take the time to diagnose, to really deeply understand another human being first"

Habit 6— Synergize.

"When we are left to our own experiences, we constantly suffer from a shortage of data"
"In order to have influence, you have to open yourself up to bé influenced"

Habit 7— Sharpen the saw.

"Read, write, relax, exercise, play, love, get involved, meditate …"

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Dec 2011

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VOL. 1 ISSUE 1

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