

WHERE OPPORTUNITY

MEETS EXPERIENCE

SUMMER INTERSHIP PROJECTS (SIP)

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The long days of summer have arrived. It is the time for the hungry inexperienced class of students filled with nervous energy who have high interest in learning. Summer internship becomes the new ticket in a student's life to add additional experience beyond the classroom in order to get him/her noticed for employment in today's world of emerging challenge from skilled labour. Interns work very closely and perform important support task, monitor and conduct analysis.

Takeaways of SIP:

- Opportunity to apply their knowledge in real world.
- Develop skills which will help them to perform better at jobs.
- Increases the chances that the student will gain full time employment after graduation.
- Increase in work ethics and becomes confident in their abilities.
- Student learns about time management, discipline, and effective communication skills.
- Internship teaches students how to excel in a large number of different organizations and industries.

Summer internship is an opportunity for the student to turn their career (ship) in to a valuable experience and helps the student for future involvement on the global stage of business. It becomes a unique educational experience. Their internships are increasingly necessary with the rising demand for experienced, skilled workers. Internships let students get a "feel" of the field, gain experience, and create contacts and possible mentors, as well as earning possible college credit.

Steps for staying in touch:

- Do not forget to send a "thank-you" note to your immediate supervisor and the people in your team. You should thank them for the internship; also mention what you have learned. Be specific about some of the projects you worked on and how they enriched your learning experience.
- Always stay connected with your supervisor through email. This shows a level of interest and demonstrates your involvement with the company.
- Do not hesitate to ask your internship supervisor how you can continue to build your professional network, to recommend course work, and what skills you should continue to develop.
- If you are lucky enough to work on projects, take those assignments that you have the time to do well.
- Most important – Do not forget to update your resume integrating the internship experience, and send the new resume to your internship advisor.
- Finally, reflect on your experience and put it in writing for your own edification. Sit back & reflect - ask yourself if you met the goals you set out for yourself when you began your internship. What did you like about the industry and what didn't you care for? Long says, "Figuring out what you don't want to do is just as important as figuring out what you do want to do."

- Dr. Arpita Alvi

Name	Organisation
Ramesh Krishnamurthy	IMRB
Rohit Garoo	IMRB
Regina Sanku	Nagarjuna Group
Chiltla Siddartha	Geosansar
Santhosh Kumar Akkala	Yousee
Murtaza Abbas	India Today
Anchal Bagga	Geosansar
D Arun Aloysius	IMRB
Sunil Kumar	Yousee
Neha Agarwal	Geosansar
Vamshi Krishna Dhanpal	Geosansar
Rachamalla Saroj Kumar	AIRCEL
Manisha Chowdari	Geosansar
Preethi	Future Group
Sharada	Future Group
Savitha	Future Group
Dinesh Masimukku	Perigreen
Rinku Makhani	Yousee
Kranthi Kishore B	IMRB
Naveen Kumar S	IMRB
Aditya	AIRCEL
Rakesh K	Decisiontree
Nayan Singh	Geosansar
Madiha Naazneen	Geosansar
T Avinash	HDFC
Ashish Rodieya	AIRCEL
T Muralidhar	India Today
Md. Iliyaz	AIRCEL
P Uday Kiran	Yousee
G Savitha	AIRCEL



FROM THE DIRECTOR'S DESK

The month of May has come and so has the time for all the students to commence their SIPs. Once again ABS is alive with a hustle and bustle after the end semester examinations as all the students are geared up to take up the new assignments and tasks with all vigor and enthusiasm and face the challenges that may come up their way in the future.

When it comes to the future, there are three kinds of people: those who let it happen, those who make it happen, and those who wonder what happened. The future is not a result of choices among alternative paths offered by the present, but a place that is created--created first in the mind and will, created next in activity. The future is not some place we are going to, but one we are creating.

With the support of all of their efforts in the past and the chances attained in the present, the students of Aurora's Business School are now planning their route for a better future. Exposure to the corporate world is a hallmark of a quality management programme and that is exactly what the Summer Internship Program intends to provide to the students, where they will get a chance to put their skills to the test in real business situations. Also, the students of second year have completed their final examinations and have joined their respective organisations. We wish them good luck for their future endeavors.

"Map out your future – but do it in pencil. The road ahead is as long as you make it. Make it worth the trip."

- **Dr Ravi Paturi**

FROM THE EDITOR'S DESK

Traditionally, earning a college degree has been cause for celebration. For most, the achievement signalled the onset of adulthood and offered the promise of a career that would start in mere months, if not weeks. But in today's job market, undergraduates who leave school armed only with a degree may not be so fortunate. Experience and basic knowledge about corporate culture is a pre-requisite. These internships give students an edge that they would not have otherwise.

The importance of internships to college students in terms of networking and gaining new resources cannot be understated. Building a network of "who you know" through college student internships can pay great dividends upon graduation. By remembering the social aspect of making contacts with people as people while working at college internships, you can help to ensure that, if good contacts are with other organizations by the time you graduate, you will then have an "in" at those other organizations in addition to the organizations where you performed actual college internships.

So get in there and mingle. Make it a point to meet as many people as possible. Learning about someone as a person can be as valuable as learning about what his or her job entails. Social gatherings with co-workers after hours or on weekends are great ways to network and build meaningful bonds that make the most of college internships. Remember the value of college internships often lies in the people with whom you will work with. Wish all students the best for their summer internship projects, Hope you'll learn, grow and groom yourself as professionals.

- **Sudipta Chakraborty**

Editor

Sudipta Chakraborty
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ABS

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Happy Returns ABSians

Sunkara Saikiran - 8th May

Manisha Chowdari - 11th May

Sunil Kumar - 15th May

Kranthi Kishore B - 20th May

Rakesh Kongara - 31st May

MEMOIRS OF THE MONTH

World Press Freedom Day - May 3

- Press freedom is considered to be a cornerstone of human rights and a guarantee of other freedoms.
- It encourages transparency and good governance and it ensures that society enjoys the rule of true justice.
- Established by the General Assembly of the United Nations in December, 1993.
- Started in Windhoek Namibia, in 1991 as a Seminar on Promoting an Independent and Pluralistic African Press, led to the adoption of the Windhoek Declaration for the importance of a free press.
- World Press Freedom Day is celebrated annually on May 3rd.
- UNESCO coordinates activities each year on May 3rd, to emphasise World Press Freedom Day.



World Red Cross and Red Crescent Day - May 8

"There is no higher religion than human service. To work for the common good is the greatest creed" - Woodrow T. Wilson

- World Red Cross and Red Crescent Day is celebrated on May 8th every year, the birthday of Henry Dunant, the founder of the International Red Cross and Red Crescent Movement.
- The theme 'Together for Humanity'.
- Alleviates human suffering of any kind, during natural disasters, diseases, war, re-establishes hope and dignity in human lives.
- An organization where 'discrimination' is considered a dirty word, the Red Cross weaves 'sensitivity to human suffering'
- Kick starts its network even before the truth of an earth-shattering disaster sinks in, to uplift people in the throes of the disaster.
- One of the biggest networks in the world, the Red Cross Umbrella of societies consists of 97 million volunteers, many of who are women and youth and around 300,000 people are employed by the national societies.



National Technology Day in India - May 11

- National Technology Day is a very special day for Indian science since 1999, because India achieved a huge technological advancement on the day.
- The first, indigenous aircraft "Hansa-3" was test flown at Bangalore on this day.
- Performed successful test firing of the Trishul missile on this day.
- Executed three successful nuclear tests, carried out at Pokhran, in Rajasthan May 11.



International Day of the Family - May 15

"The happiest moments of my life have been the few which I have passed at home in the bosom of my family" - Thomas Jefferson

- The International Day of the Family highlights the importance of families and aims at fostering equality, bringing about sharing of domestic responsibilities and employment opportunities.
- The programmes undertaken to commemorate the day, promote the inherent strengths of families



World Telecommunication Day - May 17

- Epitome of technology, the necessity of every individual.
- Telecommunication - a word which defines the complete connectivity of the World.
- On March 10th 1876, Scotland, Alexander Graham Bell invented it called it the 'Harmonic Telegraph'.
- He wanted the greeting to be 'Ahoy', which later was changed by Abram Lincon as 'Hello'.
- Raises awareness of the advantages of Internet and other information and communication technologies (ICT) and bridges the digital divide.



Commonwealth Day - May 24

- This day is observed in some countries of the Commonwealth of Nations.
- Originally celebrated on May 24, the anniversary of Queen Victoria's birth, but now on varying dates.



World No Tobacco Day - May 31

- This is observed around the world every year on May 31.
- It is meant to encourage a 24-hour period of abstinence from all forms of tobacco consumption across the globe.
- To draw global attention to the widespread prevalence of tobacco use and to negative health effects, which lead to deaths worldwide annually.
- The member states of the World Health Organization (WHO) created World No Tobacco Day (WNTD).



QUIZ

- 1) Which is the most expensive domain name to be auctioned on the net till date?
- 2) Who is the CEO of FedEx?
- 3) 'Corporated Incorporated' and 'Limited Unlimited' were names considered but not adopted. What was finally adopted?
- 4) What was HP's first product? When?
- 5) Which online matrimony site was founded by J. Murugavel, who himself found his wife through the Internet.
- 6) What was Accenture previously known as?
- 7) What is the name of the annual newsletter that Microsoft publishes?
- 8) What is the full form of YAHOO!
- 9) 'India's Online Marketplace' is now?
- 10) Which Internet term originally meant "harmless, creative fun"?

Answers

- | | |
|---|---|
| 1 Business.com for \$8 mln [4.3 m pounds] | 7 10 Great Mistakes That Microsoft Did |
| 2 Fred Smith | 8 Yet Another Hierarchical Officious Oracle |
| 3 Microsoft | 9 EBay India (formerly bazzee.com) |
| 4 Audio oscillator. (1938) | 10 Hacking |
| 5 Bharatmatrimony.com | |
| 6 Andersen Consulting | |

VIEWS AND REVIEWS

Connect the Dots

About the Author

Rashmi Bansal is a writer, entrepreneur and youth expert. She is the author of two bestselling books on entrepreneurship. Rashmi's second book, 'Connect the Dots' focuses on non-MBA entrepreneurs. It has also been a bestseller, selling over 100,000 copies.

Rashmi is co-founder and editor of JAM (Just Another Magazine), India's leading youth magazine. She writes extensively on youth, careers and entrepreneurship on her popular blog: Youth Curry.

Review

Connect The Dots is a collection of 20 inspiring stories of entrepreneurs who never went to any B-school. Written in the form of a conversation, where the author questions the subjects and complements their words with insightful statements as well. If you are an entrepreneur you will resonate well with her words.

The 20 stories have been divided into 3 sets viz. Jugaad, Junoon, Zubaan based on the nature of the stories.

In Jugaad, the author has covered entrepreneurs who created business the Indian way, through Jugaad. Finding alternative ways to do things that is completely against what industry has been doing. With stories like Su-Kam Inverters and Tantra t-shirts, this section will tell you why not to give up. Most people start with a failure early in the venture but persistence does pay.

Junoon is a collection of 7 entrepreneurs who were crazy about a particular idea, whether it was Reva electric cars or Haati Chaap paper. My favorite amongst these was the story of Shakti Sudha Industries from Bihar which will make you believe that even in the land of crime, business can thrive. You need to find the right path and know how to take people together.

The last section Zubaan carries 4 stories of creative people who just followed their dreams until they reached to a height where the whole world knows them. The section features Prince Dance Group, techie turned wildlife photographer Kalyan Verma, Paresh Mokashi of 'Harishchandrachi Factory' fame and designer Abhijit Bansod.

All stories have a few adventurous moments where the entrepreneurs share some little known facts about the industry or something special they did to beat the system.

It's truly an inspiring book for all those fence sitters still waiting for the right time to jump into Entrepreneurship. You will learn to swim only when you jump into deep water and these stories will give you courage to do so, as they are 20 more reasons for you to believe that you will ultimately get there.

One fact is evident that the author has thoroughly enjoyed writing the book and all thinking-Hindi-speaking-English junta will enjoy it too. For the rest of the audience, though the stories would inspire but you might find it difficult to connect with the author's dots.



Mother Teresa, CEO: Unexpected Principles for Practical Leadership

Mother Teresa was called as a friend of poverty, rather than the poor, and a Catholic fundamentalist. The Author referred Mother Teresa as CEO, a paean to the leadership talents of history's most famous Albanian.

She risked her credibility by taking money from former Haitian dictator Jean-Claude "Baby Doc" Duvalier, and let herself be trivialised by the many who sought to bask in her reputation as a modern saint.

Leadership lessons from here life that we must learn from her life: (Teresa principles)

- Dream it simple, say it strong
- To get to the angels, deal with the devil; wait, then pick your moment
- Embrace the power of doubt
- Discover the joy of discipline
- Communicate in a language people understand
- Pay attention to the janitor
- Use the power of silence

The first step to leading like Mother Teresa is to decide "what are you Mother Teresa of?" What is the vision we are capable of bringing to reality? "Dealing with devils to get to the angels" is the authors' way of excusing her taking Duvalier's money. The cause was right, even if the source of the money was tainted. They suggest Mother Teresa had an ethical framework that allowed her to make such decisions, and that we should do the same.

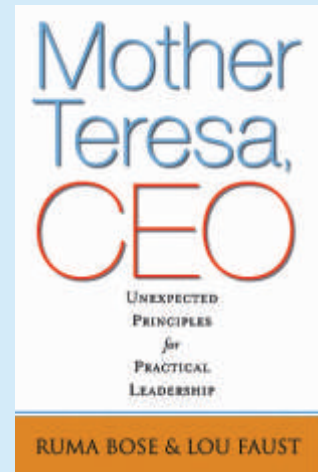
Likewise, we should develop a framework for dealing with doubt, as successful leaders "find courage in the face of fear so that they can lead their organisations forward".

Mother Teresa also possessed what Peter Drucker called the "bias toward action". Bose and Faust say that she believed "if something needs washing, wash it. If something needs fixing, fix it."

There are moments in the book when you realise how vast the gulf is between business writing and normality. Bose compares Mother Teresa's devotion to discipline to her own commitment to jogging. And Faust recommends keeping a book of office malapropisms to generate the kind of joy in work shown by Mother Teresa's nuns.

Other tips are worth being reminded of, such as the importance of good manners and taking time to think rather than endlessly acting.

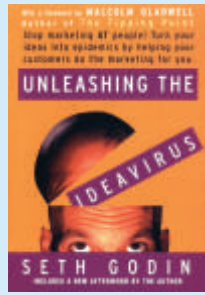
The book's greatest merit may be its brevity. Unlike many business books, it does not gas on for 200 pages more than it should. But to get a real sense of the joys and travails of Mother Teresa as CEO,



Unleashing the Ideavirus review

Seth Godin's book "Unleashing the Ideavirus", is revising the approach to product marketing. A practical and concise book, 'Ideavirus' is a delightful read that busts markets targeting at consumers. Instead, it encourages creating an environment where consumers willingly market company products and services to each other. Godin describes an 'ideavirus' as a concept that spreads across and affects people, educating, metamorphosing and influencing them to exercise change. According to Godin, a marketer does not drive successful marketing, a consumer does. This forms the backbone of his book, a truly potent concept that is revolutionizing consumer markets.

To support his teachings, Godin sights the example of Hotmail. He states that the popularity of Hotmail (a Microsoft product) was not due to advertising or vigorous marketing, but because it introduced free e-mail service which people became interested



in and talked about to others. Hotmail's success resulted from word of mouth, and not through imposing consumer targeted ads.

According to Godin, controlling, measuring and manipulating information and its spread is counterproductive. Successful ideas, as Godin states in his book, are those which flourish under good customer relationships. Godin believes information is contagious and the basis of excellent communication. Word of mouth is possibly the oldest and still the most effective way to advertise a product and market services. Godin also explains the term 'fad marketing'. He gives several examples, including Air Jordan sneakers and Napsters which attained new heights in popularity over a very short span of time.

Godin's book is interesting, with bouts of fresh ideas for the new-age business entrepreneurs. In easily comprehensible language, Godin enunciates 7 ways the ideavirus can help businesses market products. Godin explains the importance of ideavirus, including 5 common elements of the ideavirus. Godin's book also explores the basics of the ideavirus concept and formula, and techniques through which it can be unleashed. Packed with interesting anecdotes, "Unleashing the Ideavirus" exemplifies how large corporations used the ideavirus to achieve big profits.

YOU ARE HIRED! (PLACEMENTS)



Renuka
Geosansar



Seema
Geosansar



Sagar
Geosansar



Vamshi
Geosansar



Suryarao
Geosansar



Mukesh
Geosansar



Yuvarani
Geosansar



Balachandar
Geosansar



Pavan K
Geosansar



Amala
Geosansar



Shashi Mohan Kothari
Capital IQ



Gouthami
Capital IQ



Pavan Pandya
Fun Mango



Bhavesh
Fun Mango

*...all the best
in your future
undertakings...*

FITNESS & HEALTH



Why are crash diets bad

It is not surprising that many people wonder why crash diets are bad when they seem to get results. It is usually 90% water which will be put straight back on as soon as your body rehydrates, which it must do if you are not going to suffer severe health problems.

Any eating or exercise pattern that causes you to eat fewer calories than you burn will lead to weight loss. However, some diets lead to a rapid weight loss that is quickly regained when normal eating resumes. Others may cause you to miss out on essential nutrients. Still others promote eating habits that may lead to high intakes of saturated fat and cholesterol, possibly increasing the risk for heart disease and some types of cancer.

What is a crash diet?

A "crash diet" is a type of diet that aims to produce very rapid weight loss in an extremely short period of time, often in around 3-7 days. Crash diets almost always operate on extreme calorie restriction.

What are the effects of Crash diet?

Here are the effects that crash dieting can have on your body and on your health:

Harder to lose fat: When you crash diet, your body goes into starvation mode and it stores your fat and burns your muscle. Your muscle burns calories, so when your fat is stored up, it makes it harder to lose weight when the muscle is lacking. Muscle also gives you lean long lines and fat gives you that dimpled effect.

Lowered metabolism: Along with loss of muscle, the lack of calories in your diet results in a lowered metabolism. It is vital to eat five to six small meals per day so that your metabolism is kept fed. The starvation mode makes your metabolism go into an almost sleep-like state.

Gallstones: Crash dieting has been linked to the development of gallstones. With the change involved with the lack of nutrients to your body, your bile salts and cholesterol get out of whack and you end up with the potential to develop gallstones.

Psychological effect: Crash diets are extremely hard on your overall mental and emotional health. Not only do crash diets cause extreme food cravings, but they can also wreak havoc with your mood: you may find yourself feeling more irritable or depressed than usual when you are on a crash diet. Crash diets can also set people up for serious mental health disorders, particularly eating disorders like anorexia and bulimia.

Harm vital organs: Crash diets are extremely dangerous for your vital organs, including your heart, kidneys, liver, and brain. In order to perform their daily functions, your vital organs rely on energy from your carbohydrate intake. During strict crash diets,

carbohydrate and calorie intake is so low that your organs cannot get enough energy from these sources. As a result, your organs begin to burn muscle tissue in order to get adequate amounts of energy to perform vital functions. This can result in serious health problems.

Dehydration: Everyone knows that your body requires lots of water, so when you deprive your body of food, you end up depriving your body of much needed water. Many foods are rich in water content, like fruits, and when they are lacking from your diet, dehydration can set in.

Osteoporosis: Long-term crash dieters frequently suffer from osteoporosis, a disease that causes the bones in your body to become extremely brittle. This is because fast crash diets severely limit your intake of calcium. As a result, calcium begins to leach out of the bones in your body, leaving them particularly fragile. Many crash dieters suffer broken bones, particularly hips and wrists, as a result of their osteoporosis.

Hair loss: Longterm crash dieting can result in hair loss. Due to the lack of vitamins and minerals that your body receives through a healthy diet, your hair can become terribly brittle and fall out. Food is rich in vitamins and minerals, and when you keep them away from your body, it effects your hair, nails, and even the color of your skin.

What should I do?

With a balanced eating plan, it's what you leave in that makes all the difference. For a balanced eating plan to be successful, you need to:

- Eat plenty of vegetables, legumes and fruits;
- Eat plenty of cereals (including breads, rice, pasta and noodles), preferably wholegrain;
- Include lean meat, fish, poultry or alternatives;
- Include milks, yoghurts, cheeses or alternatives;
- Drink plenty of water;
- Limit saturated fat and moderate total fat intake;
- Choose reduced fat varieties of foods where possible;
- Choose foods low in salt;
- Limit your alcohol intake, if you choose to drink;
- Consume only moderate amounts of sugars and foods containing added sugars.

Starving yourself to lose weight is not enjoyable and takes the fun out of eating. Eating should be enjoyable not stressful. The only way to lose weight is to do it slowly, with a balanced diet.

Forget crash diets and lose weight the right way!

- Murtaza Abbas, PGDM- I, ABS

dive

Discover and Incubate Value based Enterprise

I and my peers grew up with a perception that engineering and medical courses are the only two streams that can guarantee material success in our country. As time passed, a Masters in Business Management was perceived as gateway to a positive financial future. Few years ago, I was traveling to Bhopal by train. My fellow passenger introduced himself as a Manager (Marketing) in Crompton Greaves, a popular Indian Multinational. He started narrating the story of his father who was traveling from Hyderabad to Bhopal in the late 60s. As soon as he alighted at the Bhopal railway station, two gentlemen came to him and asked him if he was a graduate. He said 'Yes' and he was hired in BHEL, a major producer of Industrial goods. His father joined an retired in BHEL.

Lot of things appears to have changed in the last fifty years. We have many more choices compared with our earlier generation. The first wave of globalization and liberalization that started in the 90s changed our perceptions. The advent of Internet as a tool revolutionized the way we work. On the flip side, with more than a billion people, competition increased. Today, any respected company expects their fresh recruits to adapt to their work as soon as they join with minimal training. Though a B-school degree itself gives some identity to the student, it is those set of competencies that differentiate one person from another and provide the most required identity in a corporate career.

At ABS, we are trying to break out of this mould of imparting traditional B-school education. Business schools across the world are trying to re-invent themselves by providing an opportunity for students to learn through direct experience. DIVE (Discover and Incubate Value Based Enterprise) enables the students engage in an entrepreneurial activity and thus grasp key management concepts through direct experience. After Green Holi experience in April, where the first year students learnt Networking, Communication, Marketing skills through selling natural holi colors, many students are yearning to start companies in ABS. It's heartening to note that some students have kept aside their Green Holi earnings for setting up a company. I hope DIVE helps ABS become an incubation center for fresh ideas and a novel learning experience for students and teachers.

- Ravikanth Ganti, ABS

None of us is as smart as all of us

Team-building is an important factor in any environment, its focus is to specialize in bringing out the best in a team to ensure self development, positive communication, leadership skills and the ability to work closely together as a team to solve problem. Team-building is a philosophy of job design in which employees are viewed as members of interdependent teams instead as individual workers. The overall goals of team building are to increase the teams understanding of team dynamics and improve how the team works together.

We all know how powerfully effective team work can be in delivering higher levels of performance. Developing team work is a key skill requirement for every manager, especially in highly competitive environments which tend to encourage more individualistic behaviors. Effective team work is even more critical today because in most organizations now organized in a matrix format, nobody can achieve anything alone and everyone depends on the inputs of many contributors at different levels to succeed. This is even more the case in international organizations where teams are spread out geographically, speak different languages, work in different time zones and have different cultural mindsets. Let's take the example of a flock of geese which fly across the sky in a V formation here are some simple reasons why

Why geese fly in V formation: some lessons for developing effective team work

- As each goose flaps its wings it creates "uplift" for the birds that follow. By flying in a "V" formation, the whole flock adds 71% greater flying range than if each bird flew alone.
- When the lead goose diminishes the strength, it rotates back into the formation and another goose flies to the point position.
- When a goose falls out of formation, it suddenly feels the drag and resistance of flying alone. It quickly moves back into formation to take advantage of the lifting power of the bird immediately in front of it.
- When a goose gets sick, wounded, or shot down, two geese drop out of formation and follow it down to help and protect it. They stay with it until it dies or is able to fly again. Then, they launch out with another formation or catch up with the flock.



Performance through effective team work

- Shared sense of community around a shared vision, set of values, common direction and shared objectives
- Reward and recognize the sharing of resources and skills, knowledge and best practices throughout your team
- Leadership by empowering team members to take responsibility at their levels
- Stands by and defend your team members and promote solidarity and collective responsibility at all times.



Applying these V principles with team, it will mean V for Victory!

- Ms. Deepthi Rani, Teaching Asst., ABS

LITERARY CORNER

CATASTROPHIC BONDS An alternative risk transfer mode

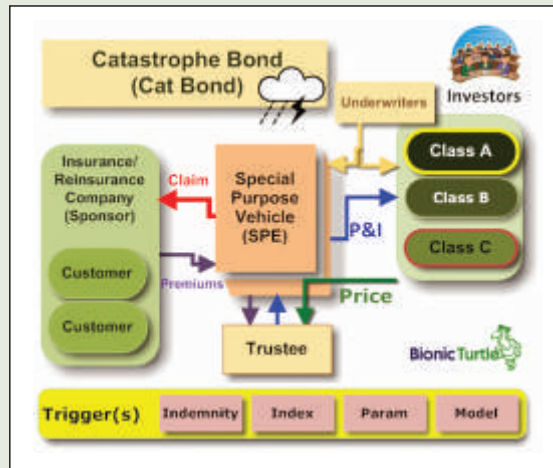
Catastrophe bonds (commonly known as cat bonds) are widely used in advanced countries. These are intended to transfer insurance risk arising out of natural calamities such as earthquakes, hurricanes and floods, to the capital markets. Cat bonds are risk-related securities that transfer a specified set of risks from a sponsor to the investors. If no calamity occurs then the investors enjoy a return on their investment through interest rate and principal repayment over the life of the bond.

If the triggering event occurs then the investors may lose their rights to some portion of the principal or even entire principal which is retained by the issuer to pay the loss. The coupon rate is much higher in CAT bonds as compared to risk free rate. CAT Bonds are used where the risk sought to be defrayed is a high-severity, low frequency event.

These bonds were created and first used in the mid-1990s in the aftermath of and the Northridge earthquake.

Catastrophe bonds emerged from a need by insurance companies to alleviate some of the risk they would face if a major catastrophe occurred, which would incur damages that they could not cover by the premiums, and returns from investments using the premiums, that they received. An insurance company issues bonds through an investment bank, which are then sold to investors. These bonds are inherently risky, generally BB, and are multiyear deals. If no catastrophe occurred, the insurance company would pay a coupon to the investors, who made a healthy return. On the contrary, if a catastrophe did occur, then the principal would be forgiven and the insurance company would use this money to pay their claimholders. Investors include hedge funds, catastrophe-oriented funds, and asset managers. They are often structured as floating rate bonds whose principal is lost if specified trigger conditions are met. If triggered the principal is paid to the sponsor. The triggers are linked to major natural catastrophes. Catastrophe Bonds are typically used by insurers as an alternative to traditional catastrophe reinsurance.

Catastrophe bonds were being talked about as far back as the early 1990s, but it was not until 1995 that they came into the limelight. In 1995, a series of devastating natural disasters in the United States pushed American insurers to reassess their hedging strategies against even greater catastrophes that could cripple them with claims. In November 1996, Morgan Stanley agreed to underwrite the first public issue of insurance-related securities-catastrophe bonds, or CAT bonds for short. The client was the California Earthquake Authority (CEA), created by the state to insure California homeowners forsaken by insurance companies after the Northridge earthquake. The plan was to market bonds to big institutional investors with a novel feature: Bond holders would earn a huge 10 per cent, but if any earthquake were to cause more than \$7 billion in losses to the CEA, bondholders could lose their principal.



The first disaster-linked bonds to be actually issued in the US were then called "Act of God bonds." A landmark issue came in 1997 with Residential Reinsurance's US\$477 million hurricane-linked bond to fund catastrophe reinsurance. The issue managed by Goldman Sachs, Merrill Lynch and Lehman Brothers would be triggered by a hurricane happening within a year that will lead to claims exceeding US\$1 billion.

The success of this issue opened doors for similar securities from other insurance and reinsurance companies in the United States. In

November 1997, Goldman Sachs and Swiss Re New Markets launched the first such securitization in Asia with 10-year US\$120 million Japanese earthquake-linked bonds for Tokio Marine and Fire Insurance.

The writing on the wall

Over US\$ 4 Billion of CAT bonds have been issued in the market since inception, with the number growing. Currently, CAT bond issue is an expensive proposition due to the complexity of the deal, often involving an investment banker to work closely with consultants like EgeCat for modelling the risk. However, they have presented a serious threat to the reinsurance industry. Reinsurers were at a high till 9/11, their coffers full of money, undercutting each other for a share of the business. However, post 9/11 and the fact of paying off massive sums in life and real estate insurance policies, the Cat looks ready to take the street... and it may be here to stay.

Indian scenario:

The Economic Survey 2009-10 has suggested the introduction of cat bonds here. The survey has indicated that there is scope for introducing these in countries such as India to provide insurance against contingencies. It observed that capital market solution for catastrophe risk insurance is an area that needs focus.

Swiss Re has reportedly been in talks with the Indian Central and state governments to propose methods to minimise risks to the country's finances and population from natural catastrophes.

Two Swiss Re officials are said to have discussed the possibility of catastrophe bonds being issued to provide the Indian government with protection and a financial backstop against major catastrophes. A similar approach to the Mexican earthquake cat bond MultiCat Mexico is suggested in the article.

It would be very interesting for the insurance-linked securities market if Swiss Re's ideas were adopted by the Indian government. Any issuance of catastrophe bonds linked to Indian risks would be very attractive to the investment community and it would be a first for cat bonds as the only Asian bonds issued to date is with all focus on Japan.

- Prof. Venu Gopal, ABS

The three R's of Employee Retention

Employees are the greatest assets for any company's success in the long run. The high turnover of employees in any organization is a challenge to its management. Their satisfaction, dedication, commitment and more over their retention towards the company are largely depended on their perception about their management supervision, working conditions, work group, work, salary & benefits and career development. Employee engagement is one of the key contributors to an organization's growth.

Human resources are undoubtedly the key resources in an organization, the easiest and the most difficult to manage. The Three R's of Employee Retention.

Respect is esteem, special regard, or particular consideration given to people. As the pyramid shows, respect is the foundation of keeping employees. Recognition and rewards will have little effect if don't respect employees.

Recognition is defined as "special notice or attention" and "the act of perceiving clearly" Many problems with retention and morale occur because management is not paying attention to people's needs and reactions.

Rewards are the extra perks you offer beyond the basics of respect and Recognition that make it worth people's while to work hard, to care, to go beyond the call of duty. While rewards represent the smallest portion of the retention equation, they are still an important one. The magic truly is in the mix of the three

Employees leave because of these reasons

- Expectations not met
- Mismatch between the person and the role
- Mismatch between person and the culture of the firm
- Insufficient opportunities for growth and advancement
- Insufficient recognition or appreciation
- Problems with direct manager
- Dissatisfaction with pay
- Lack of work life balance.
- Loss of confidence in the firm, particularly leadership

Ways to retain your employee

- Treat your employees like you treat your most valuable clients
- Strong retention strategies become strong recruiting advantages
- Retention is much more effective when you put the right person into the right job.
- Money is important but it is not the only reason people stay with an organization.
- Leadership must be deeply invested in retention



Successful organizations realize by having an effective employee retention plan will help them sustain their leadership and growth in the marketplace. Good organizations make employee retention a core element of their talent management strategy and organizational development process. Those that fail to make employee retention a priority are at risk of losing their top talented people to the competition.

- Ms. Deepthi Rani, Teaching Asst., ABS

HEALTH BENEFITS of SEASONAL FRUITS

Delicious and juicy orange fruit contains an impressive list of essential nutrients, vitamins, minerals for normal growth and development and overall well-being.



Water Melon contains a lot of potassium, which is very helpful in cleaning or washing off the toxic depositions in the kidneys. Moreover, it is helpful in reducing concentration of uric acid in the blood, thereby reducing the chances of kidney damages and formation of renal calculi in it. A good amount of Potassium and magnesium, present in water melons, are very good in bringing down the blood pressure. Water melon is effective in reducing your body temperature and blood pressure. Many people in the tropical regions eat the fruit daily in the afternoon during summers to protect themselves from heat stroke.



Due to its eminent therapeutic value, grapes can be used for cure of asthma. Grapes increase the nitric oxide levels in the blood, which prevents blood clots thereby reducing the chances of heart attacks. Ripe grape juice is an important home remedy for curing migraine. It should be taken early in the morning, without mixing additional water. Grapes are very effective in overcoming constipation. They are considered as a laxative food, as they contain organic acid, sugar and cellulose. They also relieve chronic constipation by toning up intestine and stomach.



Yellow and orange fruits and vegetables contain varying amounts

of antioxidants such as vitamin C as well as carotenoids and bioflavonoids "Papaya" is recommended to be one such pick from the group of Yellow and orange fruits, which promises abundant health benefits. It is a melon like fruit with yellow- orange flesh with dozens of small black seeds enclosed in skin that ranges in color from green to orange. Papaya has high nutritional benefits. It is rich in Anti-oxidants, the B vitamins, folate and pantothenic acid; and the minerals, potassium and magnesium; and fiber. Together, "these nutrients promote the health of the cardiovascular system and also provide protection against colon cancer." In addition, papaya contains the digestive enzyme, papain, which is used like bromelain, a similar enzyme found in pineapple, to treat sports injuries, other causes of trauma, and allergies. Vitamin C and vitamin A, which is made in the body from the beta-carotene in papaya, are both needed for the proper function of a healthy immune system. Papaya may therefore be a healthy fruit choice for preventing such illnesses as recurrent ear infections, colds and flu.



"The king of the fruits", mango fruit is one of the most popular, nutritionally rich fruit with unique flavor, fragrance, taste, and health promoting qualities making it a common ingredient in new functional foods often called "super fruits". Mango is one of the delicious tropical seasonal fruit and believed to be originated in the sub-Himalayan plains of Indian subcontinent.



- Sudipta Chakraborty, Asst. Professor, ABS

Leaders Are Born and Not Made

Swami Vivekananda

Born: 12 January, 1863 | Died: 4 July, 1902

Contributions

Swami Vivekananda is known for his inspiring speech at the Parliament of the World's Religions at Chicago on 11 September, 1893, where he introduced Hindu philosophy to the west. But this was not the only contribution of the saint. He revealed the true foundations of India's unity as a nation. Freedom fighter Netaji Subhash Chandra Bose once said: "Swamiji harmonized the East and the West, religion and science, past and present. And that is why he is great Vivekananda was successful in constructing a virtual bridge between the culture of East and the West. He played a key role in ending India's cultural isolation from the rest of the world.

Family

Swami Vivekananda's real name was Narendranath Dutta and his parents called him 'Bile'. He was born in Calcutta's Shimla Palli, on January 12, 1863. His father Viswanath Dutta was a successful attorney with interests in a wide range of subjects, and his mother, Bhuvaneshwari Devi, was endowed with deep devotion, strong character and other qualities.

Education

Vivekananda was a precocious boy with a sharp memory and also excelled in music, gymnastics and studies in his childhood. He was also interested in instrumental and vocal music.

In 1879, Vivekananda went to the Presidency College, Calcutta University for higher studies. By the time he graduated from the college, he had acquired a vast knowledge of different subjects, especially Western philosophy and history. He was also associated with Brahma Movement led by Keshab Chandra Sen, for some time. During this spiritual crisis, Vivekananda first heard about Sri Ramakrishna from William Hastie, the Principal of the Scottish Church College.

With Ramakrishna Paramhansa

One day in November 1881, Vivekananda went to Kali Temple in Dakshineswar where Sri Ramakrishna was staying. He straightaway asked the Ramakrishna, "Sir, have you seen God?" Without a moment's hesitation, Sri Ramakrishna replied: "Yes, I have. I see Him as clearly as I see you, only in a much deeper sense." Vivekananda was astonished with Ramakrishna's reply. He was also surprised to

see a common simple man saying that "God can be seen Vivekananda started visiting Dakshineswar frequently and a relationship of "Master and disciple" developed between the two.

Vivekananda as a Monk

In 1884, Vivekananda went under a considerable distress due to the death of his father. Now, he had to support his mother, brothers and sisters. And, after few months his guru Ramakrishna fell seriously ill. He was suffering from throat cancer. In September 1885, Sri Ramakrishna was moved to Shyampukur, and a few months later Vivekananda took a rented villa at Cossipore. On 16 August, 1886 Sri Ramakrishna gave up his mortal body.

After the passing away of Sri Ramakrishna, around fifteen of his disciples began to live together in a dilapidated building at Baranagar in North Calcutta. Under the leadership of Narendra, they formed a new monastic brotherhood, and in 1887 they took the formal vows of sanyasa, thereby assuming new names. Few months later, they all left for a journey to become a wandering monk.

Ramakrishna Mission

During his travels all over the country, Vivekananda was deeply hurt to see the appalling poverty and backwardness of the countrymen. One thing became clear to Swamiji: to carry out his plans for the spread of education and for the uplift of the poor masses, and also of women, an efficient organization of dedicated people was needed. Few years later, he founded one of the world's largest charitable relief missions, the Ramakrishna Mission.

On 4 July, 1902, the day of his death, he had a walk with Swami Premananda, a brother-disciple at Belur Math, Calcutta. Vivekananda expired while he was meditating.

- Sudipta Chakraborty,
Asst. Professor, ABS



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NEWSLETTER

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