

LEAD or
FOLLOW
You Choose



CRISIL

A Standard & Poor's Company



**CRISIL
YOUNG
THOUGHT
LEADER
2007**



A note from our Managing Director & CEO

Dear Friends,

It gives me pleasure to invite you to participate in the CRISIL Young Thought Leader (CYTL) 2007 competition, an initiative that seeks to provide a unique platform to you - India's future business leaders - to showcase your views on contextual and topical issues relevant to India Inc.

Launched in 2001, the CYTL Awards have been a huge success. In 2006 alone, over 187 final year B-school students submitted dissertations on topics covering areas like Financial and Risk Management, Energy, SMEs, Corporate Performance and Economic Growth. Many of these winning dissertations have influenced analytical opinions on the various themes. Some institutions too have written to us requesting permission to publish key dissertations to showcase to an external audience, which in our opinion is in line with what we seek to achieve. We also provide a platform to the winning dissertations on our website www.crisil.com.

The CRISIL Young Thought Leader Awards is a nationwide competition. Until last year this competition was open to second year students of business schools as well as fresh chartered accountants. The talent pool across the nation and the world is getting younger and ideas come from different sources irrespective of specialization. This has prompted us to extend this competition to final year graduates across the various streams countrywide.

CRISIL's senior leaders are deeply committed to the endeavour to promote thought leadership. From carefully selecting topics, to objectively evaluating the hundreds of dissertations we receive, our senior leaders are involved at every stage of the awards process.

CRISIL is India's leading Ratings, Research, Risk and Policy Advisory Company. At the core of CRISIL are its unimpeachable credibility and unmatched analytical rigour. Leveraging these core strengths, CRISIL delivers opinions and solutions that help our clients mitigate and manage their business and financial risks, make markets function better and help shape public policy.

CRISIL's majority shareholder is Standard & Poor's, the world's foremost provider of independent credit ratings, indices, risk evaluation, investment research and data. An essential part of the world's financial infrastructure, Standard & Poor's has played a leading role for more than 140 years in providing investors with the independent benchmarks they need to feel more confident about their investment and financial decisions.

We now leverage this association and our core strengths across businesses to deliver reliable opinion and workable solutions to markets, policy makers and clients in new geographies. I look forward to receiving thought-provoking and path-breaking dissertations from vibrant young minds such as yours.

Warm regards,



Roopa Kudva
Managing Director & CEO



The CRISIL Young Thought Leader (CYTL) series has attracted outstanding talent, since 2001.

Some of these ideas have proved immensely useful to industry leaders and to even senior bureaucrats in driving their thought processes and strategy formulations. This year too we invite theoretically sound and analytically sustained dissertations on topics of direct relevance to the industry.

This year we are pleased to roll out the competition under two categories:

Post Graduate Category

This category is for final year business-school students and candidates who are due to take their chartered accountancy final examinations.

Graduate Category

This category is for final year graduate students across streams.

Evaluation Process (for both categories)

Analytical leaders from CRISIL will form the evaluation panel for CYTL.

They will select the winners after evaluating the dissertations on the following parameters:

- Originality of Thought/Analysis
- Depth of Research/Analysis
- Quality of Writing (Style and Presentation)
- Effective Use of Data



The CRISIL Young Thought Leaders - 2006



Mr. R. Ravimohan (Managing Director and Region Head of Standard & Poor's South Asia) & Mr. Thomas Schiller (Executive Managing Director of Standard & Poor's Asia - Pacific) with two of the winners.



Dissertation Topics

Please prepare a dissertation on any ONE of the following topics:

Post Graduate Category

1. What is the best way to mitigate volatility?

In recent times we have witnessed heightened volatility across economies, businesses and asset classes. Be it exchange rate, stock markets or commodity prices - there is flux everywhere. Being unprepared for this can prove to be detrimental. The paper should focus on the strategy that businesses and individuals can/should adopt to cope with rising risks in volatile times.

2. Hedge funds vs. traditional banks. Which is better?

Hedge funds operate in relative secrecy without worrying about regulatory oversight, unlike banks which are tightly regulated and supervised. Does the freedom enjoyed by the hedge funds facilitate innovation, efficiency and competitiveness as compared to banks? Or do they represent a threat to financial stability as they do what they please with no regard to systemic stability? The paper should examine the relative merits and take a position in favour of hedge funds or banks with supporting arguments backed with data and analysis.

3. How will Basel II change banking in India?

The Reserve Bank of India (RBI) has made it mandatory for Indian banks to conform to Basel II norms, in line with global norms. This is expected to make banks more risk sensitive towards capital requirements. The past few years have seen a steady improvement in the health and fundamentals of the Indian banking system. Further, increasing flexibility to mobilize fresh capital has helped banks maintain adequacy of capital requirements for their growth. This improvement in the health and fundamentals of banks has spruced up their credit profiles and has elevated them to the threshold of several emerging opportunities. Will the requirement to adhere to Basel II norms create fresh challenges for Indian banks? Will it result in a paradigm shift in how banking is carried out in India? Please indicate your opinions on the main opportunities (both domestic and international) that beckon Indian banks in the post Basel II scenario, the additional improvements that they would need to register before being able to challenge global banks and what are the potential pitfalls that they need to be wary of.

4. Lessons from sub-prime meltdown

Sub-prime lending, also called "B-Paper", "near-prime" or "second chance" lending, is a general term that refers to the practice of making loans to borrowers who do not qualify for market interest rates because of problems with their credit history. Sub-prime mortgage meltdown refers to the rush of sub-prime mortgage foreclosures that began in the US in late 2006 and has continued into 2007. We need to consider the impact of sub-prime meltdown on global financial markets. Will mortgage finance growth slow down? Will property prices crash? What would be the impact of sub-prime debacle on overall structured finance volumes? Will there be a significant impact on global liquidity, inflation and interest rate scenario?

5. Is India ready for credit default swaps?

Credit default swaps (CDS) have swept debt markets internationally, with USD34 trillion in borrowings covered as of end-2006. The RBI is opening the doors for CDS in the Indian market as well. Will CDS prove as successful in India as it has globally? Is the market sophisticated enough to use CDS optimally? What will the implications for the debt market be?

6. Methodologies for valuing real estate companies

Valuation of real estate companies and consequently calculation and frequency of publication of net asset values of real estate investment trusts pose a number of challenges - the major ones relating to accounting issues and land market values. The objective of this study would be to analyse global best practices in real estate valuations, and identify suitable methodologies with relevant case studies.

7. Wrestling with the rupee

Based on developments over the past few months, it is becoming clear that Indian businesses can no longer depend on RBI to resist rupee appreciation and spare them the cost of dealing with currency appreciation and volatility. Businesses have to gear up to deal with these trends. What do they need to do? And, how can the regulators facilitate their strategies?



8. Strategies for inclusive growth

The Indian economy grew at an unprecedented rate of 8.6 per cent, in the past four years. But not all sections of society benefit from high growth. How does one ensure that benefits of high growth are well distributed? What should the government do? How can corporates contribute?

9. What are the similarities and differences between the Brazilian and Indian economies? What conclusions can you draw on the equity investment side?

Let's assume that you are an international investor from a developed country, and you are interested in diversifying your portfolio. You know that both countries have encouraged structural changes in the past, and that both have been showing remarkable GDP and asset value growth. Would you be indifferent investing in one country or the other? Which country would you choose and why?

10. Pros and cons of setting up a research off-shoring (KPO) delivery centre in Eastern Europe

Many large KPO firms are setting up delivery centres in various countries in Eastern Europe. The paper should analyse why many firms are doing so, what are the kind of services they are providing from that location, what are the pros and cons of the strategy, and what is the recommendation of the writer.

Graduate Category

1. How will the planned Rs.1 lakh car impact the Indian economy?

Most auto majors are trying to estimate the impact of the small car planned by the Tata group on the auto industry. The impact of this launch can be quite varied, with implications for both car majors and two-wheeler manufacturers. We also need to consider the stress that this launch might induce on requirement for parking space and traffic congestions. Will road rage become the order of the day? Will oil demand at a national level increase considerably, resulting in inflation? Will juvenile driving increase? Will auto insurance premiums skyrocket like the mediclaim premiums? What are the other implications that we can visualize today?

2. A street case study in operational excellence

On the street, in the bazaar, we see many examples of successful small enterprises, some formal, some informal. Many of these amaze us daily with their efficiency and their mastery of operations. Share with us your insights on any one such enterprise.

3. If I had Rs.10 lakh to start a business...

Draw up a business plan for an innovative business of your choice. The only constraints are that the business must make money in less than three years, and that it must be beneficial to society. Please support your dissertation with quantitative data.



Dissertation Guidelines, Timelines & Awards (for both categories)

Dissertation Guidelines

- The dissertation should be an original thought
- The dissertation should be supported by research findings
- The dissertation should not exceed -

For Post Graduates : 2500 words (10 pages), inclusive of a one-page executive summary

For Graduates : 1500 words (7 pages), inclusive of a one-page executive summary

- The dissertation should be in MS-Word, without graphics (explanatory tables and charts are permitted)
- Font to be used: Times New Roman, Size: 12, Spacing: 1.5
- The dissertation should have a bibliography, where applicable
- Shortlisted candidates may be required to make a presentation to CRISIL before the winner is selected
- A one-page profile of the participant must be attached to the dissertation.

Timelines

- The dissertation should be sent only by e-mail to :
Ms. Shruti Malik / Ms. Simone Lobo at cyl@crisil.com
- Last date to send in dissertations : October 5, 2007

Awards

Students, whose dissertations meet CRISIL's exacting standards, will be awarded CRISIL Young Thought Leader 2007 Awards. Each award comprises the following :

Post Graduate Category

- A CRISIL Young Thought Leader 2007 Merit Certificate
- A CRISIL Young Thought Leader Trophy
- A limited edition writing instrument with the winner's name engraved on it
- Call for a final interview with CRISIL's business heads for an entry-level position in CRISIL. In addition, the business school with the highest number of winners will be honoured with a special CRISIL Young Thought Leader Trophy.

Graduate Category

- A CRISIL Young Thought Leader 2007 Merit Certificate
- A CRISIL Young Thought Leader Trophy
- A limited edition writing instrument with the winner's name engraved on it
- Exemption from the written test & call for the GD/PI process of the two-year CRISIL Certified Analyst Programme (For information on the CRISIL Certified Analyst Programme, visit www.crisil.com/ccap).

Disclaimer

All dissertations will be the sole property of CRISIL. We shall only respond to selected dissertations through a personal mail. CRISIL reserves the full rights to publish any/all dissertations at its own discretion.



Frequently Asked Questions (Post Graduates & Graduates)

● What should be the length of the dissertation?

For Post Graduates : About 2500 words, including a one-page executive summary

For Graduates : About 1500 words, including a one-page executive summary

Font to be used : Times New Roman

Font size : 12 points

● Are the listed topics indicative or specific? Can we submit a thesis work for the series?

The topics listed are specific. These are topics CRISIL is keen on researching this year. However, we receive queries from students on whether they can submit their own thesis on other topics for the competition. You are welcome to do so, but cannot assure you that it will be considered for the CRISIL Young Thought Leader 2007 Awards.

● Who can participate in the CRISIL Young Thought Leader 2007 Awards?

The CRISIL Young Thought Leader 2007 Awards are open to:

- Business school second-year students and candidates who are due to take their final year chartered accountancy examination are eligible for Post Graduate category.
- Final year graduate students across streams from graduate colleges for the graduate category.

● How do I forward my dissertation to CRISIL?

The dissertation should be in MS Word without graphics (explanatory graphs and charts are permitted), accompanied by a one-page CV / profile of the participant. It should be sent via e-mail to Ms. Shruti Malik / Ms. Simone Lobo at cytl@crisil.com

● What are the criteria on which the dissertations will be judged?

The dissertations will be evaluated for originality of thought, depth of research analysis, quality of writing (style and presentation), and effective use of data. Candidates will have to disclose all sources of information and any references to the material that he/she may have used in the dissertation.

● How do I get additional information about the CRISIL Young Thought Leader 2007 Awards?

For more information, log on to www.crisil.com/crisil-young-thoughtleader-2007 or www.crisil.com/cytl



Send your dissertations to Ms. Shruti Malik / Ms. Simone Lobo at cytl@crsil.com latest by : October 5, 2007



CRISIL

A Standard & Poor's Company

CRISIL House, 121 / 122 Andheri-Kurla Road, Andheri (E), Mumbai 400 093

Tel +91 (22) 6691 3001 / 09 Fax +91 (22) 6691 3010

www.crsil.com

