



## The Vision

To be an Institute of Academic Excellence known for total commitment to superiority in management and IT education and research with a holistic concern for quality of life, environment, society and ethics.

## The Mission

Our mission is to groom professionals of tomorrow by

- Imparting high quality education in Management and Information Technology
- Developing intellectual capabilities through a challenging curriculum
- Providing training and development services
- Fostering research
- Extending consultancy services to the industry
- Disseminating information through the publication of books, journals and magazines

# From the Advisor's Desk

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## Special thanks

Prof. C.P. Bhatia for his help  
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Seeking knowledge is the nature of Man since God has endowed him with the power to think and the desire to explore. From time immemorial, man has been curious about his surroundings, which has led him on a long journey—the quest for knowledge, through which he came across many milestones but not the destination as yet. This quest for knowledge has led him to an unfathomable ocean of knowledge – The Eldorado.

Man's quest to know the unknown and fathom the uncharted territories has been the guiding spirit that has shaped his destiny over the ages. He continues to be overwhelmed by his experiences. In modern times, the thrills and excitement of new knowledge are almost intently felt and absorbed by people around the world. The credit goes largely to the print and electronic media. The magazines play a vital role in educating the masses and imparting a new temperament to the society. Thus our Institute is no way indifferent to its responsibilities. This issue of Eldorado in your hands bears testimony to that. It has come up as a mature and responsible medium of gathering and truthfully disseminating knowledge and generated at young minds of future managers.

With efforts from the students and support from the teachers and the management, Eldorado has been transformed into a visual delight and a very rewarding and satisfying reading experience. While revealing better knowledge & understanding about the management world, it witnesses the emergence of new talents and writing skills of students driving the management arena to the new depths and exciting corners. The canvas of its coverage is enormous with topics ranging from important discussions on India's position in the global market, its changing face and the current needs to

the suggestions and constructive criticism for bringing out some rational innovations both personally & nationally.

The critical reviews, news and experiences of youth are collectively an honest attempt to reflect their sensitively towards the changing items & inspiration of confidence and hope. Their determination and response to the more exacting needs of the changing times.

We are delighted to present before you this issue of Eldorado – A tribute to the spirit of human race, a humble effort to recall the greatness of the power and desires endowed by God to us. It has been our endeavour to gather and disseminate new ideas and views which are generated in the young minds of future managers, using Eldorado as a platform.

Eldorado—the outcome of intense scrutiny and curious search for the best thoughts, and proud to announce that now Eldorado has become a semi-annual magazine. Our readers, who supported us to achieve this success, deserve our best compliments.

**We feel great pleasure in expressing our deepest thanks and gratitude to Prof. R.P. Maheshwari for his great encouragement and appreciation.** We express our cordial thanks to Prof. C.P. Bhatia for valuable guidance, constructive criticism and keen interest at every step. We also thank Prof. S.K. Singh for their support and encouragement.

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# Students' Section



Eldorado  
Sea of knowledge  
(2005 - 2006)

# Financial and Banking Sector Reforms

ANUJ SHARMA  
PGDBM Ist Yr., B

**In the last decade, Private Sector Institutions played an important role. They grew rapidly in commercial banking and asset management business.**

Among the banking institutions in the organized sector, the commercial banks are the oldest, which are having a wide network of branches, commanding utmost public confidence and having the lion's share in the total banking operations. Today 27 banks constitute the strong public sector in Indian commercial banking.

The last decade witnessed the maturity of India's financial markets. Since 1991, governments of India took major steps in reforming the financial sector of the country. The important achievements in the following fields are discussed under different heads:

## Financial Markets

In the last decade, Private Sector Institutions played an important role. They grew rapidly in commercial banking and asset management business. With the openings in the insurance sector for these institutions, they started making debt in the market.

Competition among financial intermediaries gradually helped the interest rates to decline. Deregulation added to it. The real interest rate was maintained.

## Regulators

The Finance Ministry continuously formulated major policies in the field of financial sector of the country. The Government accepted the important role of regulators. The Reserve Bank of India (RBI) has become more independent. Securities and Exchange Board of India (SEBI) and the Insurance Regulatory and Development Authority (IRDA) became important institutions.

## The Banking System

Almost 80% of the business is still controlled by Public Sector Banks (PSBs). PSBs are still dominating the commercial banking system. Shares of the leading PSBs are already listed on the stock exchanges.

The RBI has given licences to new private sector banks as part of the liberalisation process. Many banks are successfully running in the retail and consumer segments but are yet to deliver services to industrial finance, retail trade, small business and agricultural finance.

## Development Finance Institutions

Finance Institutions access to SLR funds has been reduced. Now they have to approach the capital market for debt and equity funds.

Convertibility clause is no longer obligatory for assistance to corporate sanctioned by term-lending institutions.



Capital adequacy norms has been extended to financial institutions.

## Non-Banking Finance Companies

In the case of new NBFCs seeking registration with the RBI, the requirement of minimum net owned funds, has been raised to Rs.2 crores.

## The Capital Market

The number of shareholders in India is estimated at 25 million. However, only an estimated two lakh persons actively trade in stocks. There has been a dramatic improvement in the country's stock market trading infrastructure



**The Unit Trust of India remains the biggest mutual fund controlling a corpus of nearly Rs.70,000 crores**

during the last few years. Expectations are that India will be an attractive emerging market with tremendous potential. Unfortunately, during recent times the stock markets have been constrained by some unsavory developments, which have led to retail investors deserting the stock markets.

### **Mutual Funds**

The mutual funds industry is now regulated under the SEBI (Mutual Funds) Regulations, 1996 and amendments thereto. With the issuance of SEBI guidelines, the industry had a framework for the establishment of many more players, both Indian and foreign.

The Unit Trust of India remains the biggest mutual fund controlling a corpus of nearly Rs.70,000 crores, but its share is going down. Foreign companies can only enter joint ventures with Indian companies, with participation restricted to 26 per cent of equity.

The new players will need to bring in innovative products as well as fresh ideas on marketing and distribution, in order to improve the low per capita insurance coverage. Good regulation will, of course, be essential.

### **Deregulation of Banking System**

Government pre-emption of banks' resources through statutory liquidity ratio (SLR) and cash reserve ratio (CRR) have been brought down in steps. Interest rates on the deposits and lending sides almost entirely are deregulated.

New private sector banks were allowed to promote competition. PSBs were encouraged to approach the public for raising resources.

### **Private Mutual Funds Permitted**

To reduce the cost of issue, underwriting by the issuer were made optional, subject to conditions. The practice of making preferential allotment of shares at prices unrelated to the prevailing market prices is stopped and fresh guidelines were issued by SEBI.

SEBI reconstituted governing boards of the stock exchanges, introduced capital adequacy norms for brokers, and made rules for making client or broker relationship more transparent which included separation of client and broker accounts.

Buy back of shares is also now allowed

### **Consolidation Imperative**

Another aspect of the financial sector reforms in India is the consolidation of existing institutions which is especially applicable to the commercial banks. In India the banks in large number. First, there is no need of 27 PSBs with branches all over India. A number of them can be merged. The merger of Punjab National Bank and New Bank of India was a difficult one, but the situation is different now. No one expected so many employees to take voluntary retirement from PSBs, which at one time were much sought after jobs.

### **SUM UP: Overall Approach to Reforms**

The last ten years have witnessed major improvements in the working of various financial market participants. The government and the regulatory authorities have followed a step-by-step approach, not a big bang one. The entry of foreign players has assisted in the introduction of international practices and systems. Technology developments have improved customer service. Some gaps however remain (for example: lack of an inter-bank interest rate benchmark, an active corporate debt market and a developed derivatives market). On the whole, the cumulative effect of the developments since 1991 has been quite encouraging.

However, financial liberalisation alone will not ensure stable economic growth. Some tough decisions still need to be taken. Without fiscal control, financial stability cannot be ensured. The fate of the Fiscal Responsibility Bill remains unknown and high fiscal deficits continue.

# Banking's Big Bang: Consolidation

**MEENAXI GERA**  
PGDBM Ist Yr.  
Section B

**Business scenario in India is very fragmented. Top 5 banks control 43% of assets, while 80 banks account for just 2% of market assets.**

**A**lmost all of the 19 public sector banks are planning to either acquire or be acquired. While attending the Indian banks Association's (IBA) yearly meet in August 2004, the finance minister, MR. P. Chidambaram delivered a simple but powerful message: *CONSOLIDATE*.

**MEANING:** Consolidation is the act of merging many things into one. In business, it often refers to the merger or acquisition of many smaller companies into much larger ones.

## **NEED FOR CONSOLIDATION:**

- Business scenario in India is very fragmented. Top 5 banks control 43% of assets, while 80 banks account for just 2% of market assets.
- Net interest margins getting thinner, Need for low cost & sophisticated technology.
- Despite having more branches, customers and market capitalization; capital of Indian banks is low as compared to their foreign counterparts.

E.g.:- State Bank of India having 14,000 branches and 100 million customers has Mkt. capitalization of \$7.75 b and Capital worth \$ 6.7 b (app.) while Citi Bank has Mkt. cap of \$ 250 b and capital of \$ 67 b.

- Presence of Indian banks is not felt at global arena. Banker's list of top 1000 banks in the world has only

20 Indian. In Asia, only SBI is among top 25. Even though SBI offers high average return on capital, focus is on scale as a parameter to be included in the top list.

- After adoption of Basell-II norms, banking sector may witness loss of 200 basis points i.e. 2% in capital adequacy. So, they would need to entail fresh capital and optimal use of existing capital which would be restricted by Govt. policy of 51% stake in banks. So, **CONSOLIDATION**.

## **POSSIBLE WAYS TO THE ROAD TO SUCCESS:-**

If consolidation is to be done, first move should be to merge strong banks with mid-sized banks because merging a strong one with a weak bank like, merging a bank with Rs. 80,000 crore base with Rs. 30,000 crore bank would create size without strength and merging one weak bank with another weak one is, however, out of question.

## **HURDLES WHICH MIGHT COME IN THE WAY OF CONSOLIDATION:-**

- Govt. says, move for consolidation must come from banks, "driven by boards and supported by offices and based upon operational synergy. But banks actually may not be willing to merge because in case of merger of two banks, only one

**We have to think global and act local, and seek new markets and new classes of borrowers.**

will head the merged entity, other will lose the job.

- Only 4 independent directors are permitted on a board, so in case of merged entity, other 4 might lose the job.
- Any merger between public sector banks can take place under “Bank Nationalization Act”. Deal must be finalized by Govt. & RBI and to be placed in parliament which may take a very long time.
- Over the past 46 years, 36 banks and non-banking financial institutions have been merged out of which only 7 were for growth and consolidation.

Since 1969, except Bank of Bihar with SBI in 1969 and latest merger of Bank of Punjab & Centurion Bank, all other were acts of crisis management.

#### **POSSIBLE MERGERS IN FUTURE:-**

- Ist merger which is already under consideration and may come in effect in April, 2006 is Union Bank and Bank of India.

Union Bank & Bank of India (merged entity) will have an asset base of 1, 43,175 cr. and will be 2<sup>nd</sup> largest bank in India overtaking ICICI.

- SBI can be merged with its 7 banks or they can be sold like State Bank of Mysore or State Bank of Indore can be sold to IDBI. Even if SBI is merged with its 7 branches, it will have an asset base of Rs. 5, 49, 257 cr. with 13,638 branches.
- If SBI is merged with either Punjab National Bank or Canara Bank or Bank of Baroda it will have an asset base of Rs. 6, 51,588 cr. and 17,000 branches. It can overtake DEVELOPMENT BANK OF

SINGAPORE AND KOOKMIN BANK OF SOUTH KOREA in asset base.

- LIC which has 26.7% stake in CORPORATION BANK, 6.23% in OBC and 13.41% in UTI, can bring these under one umbrella and can create a bigger entity.

Coming years would be crucial for Indian banking industry as consolidation alone will give Indian banks the muscle, size and scale to act like world-class banks. We have to think global and act local, seek new markets and new classes of borrowers.

#### **Secrets of Success**

To make our way,  
we must have firm resolve,  
persistence, tenacity.  
We must gear ourselves  
to work hard all the way.  
We can never let up.

*- Ralph Bunche*

Yesterday is a cancelled check;  
Tomorrow is a promissory note;  
Today is the only cash you have,  
so spend it wisely.

*- Kim Lyons*

Success is not measured by what a man accomplishes, but by the opposition he has encountered and the courage with which he has maintained the struggle against overwhelming odds.

*- Charles Lindbergh*

Success will not lower its standard to us.  
We must raise our standard to success.

*- Rev. Randall R. McBride, Jr.*

# Biotechnology: The Harmony of Life and Technology

**GUNJAN UPADHYAY**  
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Section B

**Biotechnology is an applied science. It is based on biology, chiefly botany.**

Most of my friends at my B-school wonder what biotechnology is all about. Having done my graduation in biotechnology, I feel a strong urge to explain to them about this subject and its various aspects. However, as compared to a subject expert, I have little knowledge, biotechnology fascinates me and hence I can try my best to throw some light on the elementary ideas of it.

Biotechnology is an applied science. It is based on biology, chiefly botany. We can define biotechnology as: the technological knowledge about biological processes which is used for human welfare. The basic idea is to invent methods and technologies to use our natural resources in a judicious manner so that both living beings and environment remain in perfect harmony, none is harmed.

Biotechnology makes use of sciences like botany, zoology, immunology, genetics, biochemistry, cell biology, microbiology, physiology, environmental studies etc. Mainly it involves techniques like cell fusion, genetic engineering, gene cloning and other cellular techniques i.e. it operates chiefly at cellular level.

The applications of biotechnology are as follows:

1. **Drugs and Pharmaceuticals:** Various drugs are improved using biotechnology. This increases their reliability and reduces side effects,

e.g. vaccines, enzymes, insulin etc. An innovative biotechnology product is edible vaccine. It is available as vegetables or fruits like potatoes, tomatoes, banana etc. which on consumption give immunological safety from diseases in the same fashion as the vaccines like DPT, polio vaccine do. Biotechnology is also a ray of hope for patients of deadly diseases like cancer and AIDS. A thorough study of immunology is required for these researches.

2. **Consumer Goods:** Nowadays, detergents contain enzymes which are results of biotechnological research. These enzymes digest fats and proteins present in the stains and thus clean them. Processed foods and food supplements also contain biotechnological products. For example, *Spirulina* is a blue-green alga which is used as protein in food supplements.
3. **Genetically Modified Crops:** Crops can be made disease free, their yields and quality can be improved by modifying them at genetic level through genetic engineering. For example: BT Cotton, sugarcane. Even new species can be developed like *Triticale* which is a hybrid of *Triticum* (wheat) and *Secale* (Rye).
4. **Agriculture:** Biofertilisers and biopesticides are used nowadays in agricultural fields. These are beneficial not only for crops but



also for environment as they are biodegradable and do not contain any harmful chemical.

5. **Environment:** Various biotechnological methods are being used for sewage treatment, waste disposal and water purification, thus keeping our environment clean and green.
6. **Criminal Investigation:** DNA Fingerprinting can help in identification of people and also in determining biological parents in disputed parentage.
7. **Biofuels:** Biodiesel is a fuel obtained from a plant called *Jatropha*. It is a clean fuel. Researchers are trying continuously to develop more biofuels.
8. **Biometallurgy:** Biotechnological methods are used to extract metals from ores, e.g. gold. This includes microbial action on ores.

Keeping in view all these applications, we can conclude that the coming era is the biotechnological era, since it has a wide array of applications in daily life. Just like IT industry once boomed and bloomed, biotechnology is going to be the next craze. Management and marketing of biotechnological products can be a scoopful option as a career. Nowadays, many institutes have started courses like MBA in biotechnology management.

Now, I am sure we all understand that biotechnology uses nature for human benefits without harming it. Nature has tremendous potential and biotechnology helps us to utilize it to the fullest to support mankind, along with maintaining nature's balance.

## When Disaster Strikes

**W**hen disaster strikes, our world gets turned upside down. Questions like: What do I do? Where should I go? Why is this happening to me? shake our mental comfort. We feel fear, anger, confusion and are uncertain about our future.

Have you ever considered that God wants to be involved in your future good?

Consider what Martin Luther King Jr. had to say,

*“Now I say to you in conclusion, life is hard, at times as hard as crucible steel. It has its bleak and difficult moments. Like the ever-flowing*

*waters of the river, life has its moments of drought and its moments of flood. Like the ever-changing cycle of the seasons, life has the soothing warmth of its summers and the piercing chill of its winters. But if one will hold on, he will discover that God walks with him, and that God is able to lift you from the fatigue of despair to the buoyancy of hope and transform dark and desolate valleys into sunlit paths of inner peace.”*

When disaster strikes God offers us hope and a hope-filled relationship with Him.

*Raymond Sneyd.*

# This is the Century of Asia Oriental Wisdom

**MOH. SUHAIL**  
PGDBM Ist Yr., B

**India and China with 40% of the world population, can push for liberal policies on immigration and intellectual property right.**

India and china should form the trade platform for WTO and beyond. They have to forge a common front at the WTO. This will lend further strength to G-21 as a countervailing force to the might of the US and European Union.

India and China with 40% of the world population, can push for liberal policies on immigration and intellectual property right. Besides, there is every reason for India to cement bilateral trade and economic ties with China. India needs to reorient its trade policy in view of major shifts in the direction of trade in the 90s. The U.S. and the E.U. are gradually declining in importance as trade partners.

Trading partner. The U.S. share in our total trade has remained at about 13% between 2001 and 2004, while the share of U.K. has dipped from 5% to 4% over the same period.

Given these changing trends through 90s, India and China as a joint force can afford to adopt a lump-it-or leave it approach at W.T.O. While India accounts for just 0.8% of the world's exports, China at 6.2% has inched ahead FRANCE. The W.T.O. would have to take cognisance of these shifts if it is to survive as a credible institution. With its multilateral agenda based on a world trade order that is on its way out, it hardly surprising to find Asia and Latin America entering into regional trade agreement.

2003-2004	Import	Export	1990-91(Import)	Export
U.S and E.U.	37.8%	46.4%	54%	53.5%
CHINA	27.6%	27.6%	14%	14.3%

Our trade with China is at \$13 billion in 2004 or 7-8 % of our total export and import, against 3% of our overall trade recently as 2001. This does not include the large chunk of unofficial trade between two countries. With bilateral trade growing at over 30%, China could replace the U.S. as our largest trading.

India should put its diplomatic energy behind creating an ASIAN ECONOMIC UNION. Those who argue that such union would divert rather than create trade seem to overlook the fact that the O.E.C.D. is already losing ground, or trade creating capacity, to the far east.

# Indian Pharmaceutical Industry

**KAPIL SINGH THAKUR**  
PGDBM Ist Yr., B

**The industry ranks fourth globally in terms of volume and in terms of value it is ranked thirteen.**

## **Key statistics of Indian Pharmaceutical market**

- Annual turnover of Rs. 226 billion.
- Growth rate 5.2 %, Exports Rs. 141 billion.
- Future projection of Rs. 1200 billion (by McKinsey) by 2010.
- Share of world Pharma market 10% in value and 8% in volume terms.
- Global ranking  
13<sup>th</sup> in terms of value.  
4<sup>th</sup> in terms of volume.
- Number of Generic Brands over 60000 in 60 therapeutic categories.
- Number of units – 10000 put out of which approximately 300 in organized sectors.
- OTC market Rs. 35 billion growth 18-20%.
- Alternative medicine Herbal/ Ayurvedic market Rs 38 billion.
- Per capita drug expenditure Rs 220 per annum.

*Indian pharmaceutical industry is undergoing fast paced changes. The Indian Generics market is witnessing rapid growth opening up immense opportunities for firms. This is further triggered by the fact that generics worth over \$ 40 billion are going off patent in the coming few years which is close to 15% of total prescription market of the US.*

The Indian pharmaceutical companies have been doing extremely well in developed market of the US and Europe, notable among these being Ranbaxy, Dr.Reddy's Labs, Wockhardt, Cipla, Nicolas Piramal and Lupin. The

companies have their strategies in place to leverage opportunities and appropriate values existing in formulations, bulk drugs, generics, Novel Drug Delivery Systems, Biotechnology, and New Chemical Entities etc.

The industry ranks fourth globally in terms of volume and in terms of value it is ranked thirteen. The industry has thrived so far on reverse engineering skills exploiting the lack of process patent in the country. This has resulted in the Indian Pharmaceutical Players offering their products at some of the lowest prices in the world.

The quality of the product is reflected in the fact that India has the highest number of manufacturing plants approved by US FDA (61 plants) which is next only to that in the US, Multinational companies have traditionally dominated the industry, which is another trend seeing a reversal. Currently, it is the Indian companies which are dominating a number of key therapeutic segments. The market is also very fragmented with about 30000 entities.

Consolidation in the industry is increasing with many local players building a global outlook and also growing inorganically through mergers and acquisitions.

## **BIO TECHNOLOGY**

India offers some significant competitive advantages in the area of

Biotechnology such as low cost technology in clinical trials, R&D molecule synthesis and fine chemical production. Government of India estimates that over the next five years, possibilities could be created for fresh investment of US \$ 150 million in India that hold the promise of changing the biotech production scenario – not just domestically but globally as well. This is an opportunity for the Indian as well as overseas organizations to evaluate and exploit for investment strategy not only as a producer but also as a major developer.

### UNIQUE ADVANTAGES OF THE INDIAN MARKET

1. Solid legal framework and strong financial market.
2. Committed to free market economy and globalization.

3. 70 million middle class market with huge growth potential.

### KEY CHARACTERISTICS OF INDIAN PHARMA

1. Self- reliance display by the production of 70% of bulk drugs and almost the entire requirement of formulation within the country.
2. Low cost of production and low R&D costs.
3. Innovative Scientific Manpower.
4. Excellent and world class national laboratories specializing in process development and development of cost effective technologies.
5. An efficient and cost effective source for procuring generic drugs especially the drugs going for patent in the next few years.

## Tonic for Thought

Arthur Ashe, the legendary Wimbledon player was dying of AIDS. From world over, he received letters from his fans, one of which conveyed :

“Why does GOD have to select you for such a bad disease”?

To this Arthur Ashe replied:



The world over — 50 Million children start playing tennis,

5 Million learn to play tennis,

500,000 learn professional tennis,

50,000 come to the circuit,

5000 reach the grand slam,

128 reach Wimbledon,

4 to semi final,

2 to the finals,

When I was holding a cup I never asked GOD “Why me?”.

And today in pain I should not be asking GOD “Why me?”—

(Arthur Ashe is the first black to win Wimbledon )

# Insurance Industry

NEHA-GUPTA  
PGDBM Ist Yr., B

**The insurance industry provides protection against financial losses resulting from a variety of perils.**

## **Nature of the industry:**

The insurance industry provides protection against financial losses resulting from a variety of perils. By purchasing insurance policies, individuals and business can receive reimbursement for losses due to car accidents, theft of property, and fire and storm damage; medical expenses; and loss of income due to disability or death.

The insurance industry consists mainly of insurance carriers (or insurers) and insurance agencies and brokerages. In general, insurance carriers are large companies that provide insurance and assume the risks covered by the policy. Insurance agencies and brokerages sell insurance policies for the carriers. While some of these establishments are directly affiliated with a particular insurer and sell only that carrier's policies, many are independent and are thus free to market the policies of a variety of insurance carriers. In addition to supporting these two primary components, the insurance industry includes establishments that provide other insurance – related services, such as claims adjustments or third party administration of insurance and pension funds.

Two basic types of insurance carriers are:

1. Direct insurance
2. Re insurance

Direct insurance consists of variety of insurance policies:

1. Life insurance
2. Disability insurance
3. An Annuity
4. Property Casualty insurance
5. Liability insurance

Some insurance policies cover groups of people, ranging from a few to thousands of individuals. These policies are usually issued to employers for the benefit of their employees or to unions, professional associations, or other membership organizations for the benefit of their members. Among the most common policies of this nature are group life and health plans.

A relatively recent act of congress allows insurance carriers and other financial institution, such as banks and securities firms, to sell one another's products. As a result, more insurance carriers now sell financial products such as securities, mutual funds and various retirement plans. This approach is most common in life of insurance companies that already sell annuities. However, property and casualty companies also are increasingly selling a wide range of financial products.

Insurance carriers have discovered that the internet can be a powerful tool for reaching potential and existing customers. Some carriers also provide insurance quotes online based on the information submitted by customers on their internet sites. In future, carriers will allow customers to purchase policies through the internet without even seeking to a live agent.

**The greatest barrier to insurance is Penetration.” The strength lies in building the backend.**

### **Future perfect**

The Indian insurance industry has seen it all from being an open competitive market to being nationalized and back to being a liberalized market. The entry of the private players in 2001 changed the dynamics of the industry and set new parameters for success.

Today the Indian insurance general market is valued at Rs 14000 crore. It is growing at a rate of 20% and is expected to reach Rs 45000 crore in about 10 years. India has 14 private players in life insurance and 12 players in the general insurance sector.

### **Growth rate:**

Fiscal 2003 has seen private general insurance players posting a growth rate of 180%, indicating a scenario in which the insurance industry is growing at a remarkable rate. Tata-AIG General insurance, now in its third year of operation, is at the forefront of that progress.

TATA-AIG was the first in the insurance industry to start 24-hour call center, an initiative that aided customer convenience. Other successes included the development of new lines, like the directors and officers policies, errors and omission for the IT and ITES industry, and the company’s net based travel insurance policy, which can be issued 24 hours a day through the internet.

### **Changing times:**

The global general insurance has suffered due to September 11, corporate scandals, the Iraq wars. Although these event have made insurance in India cheaper, global reinsurers have started imposing stiff pre-conditions for

renewing treaty arrangements.

Currently, India is a very small player in reinsurance. Growth in the market will need to be supported by the development of infrastructure and robust regulations.

Research and Markets Reports on Insurance outsourcing Focuses on India:

“Insurance companies have traditionally been among the slowest adopters of outsourcing / off shoring.

### **Key to growth:**

The greatest barrier to insurance is Penetration.” The strength lies in building the backend. Products need to be supported efficiently through identification of affinity and social groups and market segmentation. The next focus area is the development of distribution channels. Companies need to identify bodies with existing channels providing major distribution. “The internet has not led to more penetration for information.”

The buying process needs the personal touch. TATA-AIG is looking forward to the development of the Tata brand loyalty programme. This will enhance cross-selling opportunities for all Tata products. Growing areas of the insurance industry are medical services and health insurance and the industry’s expansion into the broader financial services field.

### **How can insurance industry grow?**

- ✓ Sales agents and adjusters are still needed to meet face to face with clients, many of whom prefer to talk directly with an agent. Opportunities will be best for sales agent who can sell more than one

type of insurance or financial service.

- ✓ Adjusters will still be needed to inspect damage & interview witnesses.
- ✓ Employment opportunities should be good as stringent qualifying requirements resulting from the examination system limit the no. of new entrants.

Innovative products, smart marketing and aggressive distribution have enabled fledging private insurance companies to sign up Indian customers

faster than anyone expected. Indians, who had always seen life insurance as a tax saving device, are now suddenly turning to the private sector and snapping up the innovative products on offer.

*SOURCE:*

*(BizMiner, May 31, 2005, Business Reports)*

*Indian management* (The journal of all India management association)

*Business week*

## Winners vs. Losers

*When a winner makes a mistake, he says, "I was wrong;"*

*When a loser makes a mistake, he says, "It wasn't my fault."*

*A winner works harder than a loser and has more time;*

*A loser is always "too busy" to do what is necessary.*

*A winner goes through a problem;*

*A loser goes around it, and never gets past it.*

*A winner makes commitments;*

*A loser makes promises.*

*A winner says, "I'm good, but not as good as I ought to be;"*

*A loser says, "I'm not as bad as a lot of other people."*

*A winner listens;*

*A loser just waits until it's his turn to talk.*

*A winner respects those who are superior to him and tries to learn something from them;*

*A loser resents those who are superior to him and tries to find chinks in their armor.*

*A winner feels responsible for more than his job;*

*A loser says, "I only work here."*

*A winner says, 'There ought to be a better way to do it;'*

*A loser says, 'That's the way it's always been done here'*

Arthur: Pat Williams  
(He is the General Manager and  
Vice President of NBA)

# Nano - An Introduction

**KAPIL SINGH THAKUR**  
PGDBM Ist Yr., B

**Man himself is a nature machine equipped with complex tools like limbs and the five senses.**

**M**an himself is a nature machine equipped with complex tools like limbs and the five senses. Man with these limited, but versatile tools has built many structures like buildings, cities, dams and developed thousands of other resources for his own benefit and is controlling these resources as his personal property. One can go on beyond the current day science to keep civil Engineering based building technologies, with a conventional approach, but a deeper look at the nature which build the self reproducing and learning machines from much smaller structures that is to say with fewer groups of “Atoms and Molecules”.

Man has been trying to study the nature’s smaller scale technology and has been progressively investigating smaller and smaller level of nature’s creation. The Human cells, Microbes, Bacteria, Virus, Fungi etc. As the science has been historically understood, it has been divided into very nearly neat division of Physics, Chemistry, Biology etc. Nature while engaged in its creativity/construction activity never distinguishes different streams or rules of science and technology.

What are we driving at? The Nanotechnology tries to mimic the nature and takes man nearer to the Creator by further few more steps.

Nano science and technologies are likely to touch every aspect of our life in the next few years. Many big names

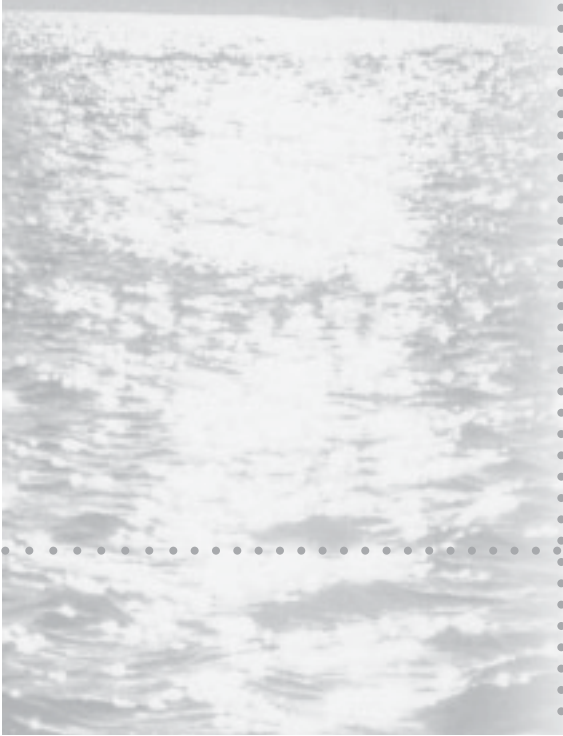

are investing billions of Dollars to explore and research out in this direction. Like computer technology this technology also does not require a lot of investment but knowledge engineering (Brain power) and hard work. This aspect of nanotechnology gives a definite leverage to India - a country with large Brain power.

Applications of Nanotechnology ranges from - reducing the size of electronic gadgets (Bell Labs has already come out with a self assembled Transistors of single molecule size) to designing virus to kill bacteria.

## **Nano-Definition**

There is no accepted definition of Nanotechnology or Nano science. Nanotechnology refers to components build of the size 20 to 30 Nano Meters. They are also supposed to be self replicating or self-assembling and this aspect get confused with cloning. Self-assembling implies, you put the ingredients in one place and they assemble into some thing useful where as replicating implies, you have an assembled component and it replicates it self in to thousands of more like itself. Cloning refers to meddling with nature at reproductive level of animals including human. Self-replicating or self-assembling does not refer to living being but manipulation done on organic and inorganic materials at molecular level. This separation between living and nonliving gets blurred at nano level.





## Living organisms are examples of Nature's handy work of Nanotechnology

Any way whether self-assembling or self-replicating once the process is on, little effort is required externally to manufacture them. The cost benefit can be immediately sensed.

“Nano Technology” in the broader and more inclusive definition is referred as molecular nanotechnology” or “molecular manufacturing.”

Nanotechnology, while not providing a cure for everything, is defined by the length scale when scientists and engineers discover new phenomena. It provides exquisite new tools to engineer novel materials and devices at the nanoscale, and to study biology. A nanometer, one billionth of a meter, is about 10,000 times narrower than a human hair.

### Nanotechnology in Nature

Living organisms are examples of Nature's handy work of Nanotechnology, many natural molecular machines systems display enormous abilities. Molecular machinery in green plants converts more energy and synthesizes a greater tonnage of organic compounds than a chemical industry, and does its job so cleanly using cheap raw materials picked up by itself. The storage capacity of genome in few bacteria may far exceed that in any large computer systems of today. Nature places far denser systems in the same volume free of charge (no-technical sophistication and resources spent up).

Natural molecular machinery has outperformed anything we now know, how to build. There is lot to learn from nature about building molecular machines of our own design, aiming to make a wider range of products, including computer components that we can actually put to use.

### Nano-Tools

For constructing any machine we require suitable tools to hold and place the component in the precise location. The complexity of the tool increases as the size of the component decreases. Imagine building a component consisting of few molecules - What tools can be used, how they would look like? And How to use them? Development of the right tools for Nanotechnology itself should be an interesting issue.

### Common Structures used in Nanotechnology

**Nanotubes** are the most common structures used in Nano technology. Nanotubes are made of carbon atoms bonded into honeycomb-like shapes with enormous strength and electrical conductivity. Recently another structure made of different oxides is **Nano belt**. Nano belt manufacturing seems to be simpler and produces belts, which are longer than Nanotubes.

**Nanopores** is another structure. The pores are so small that DNA separation is being attempted using this structure.

**Quantum dots** are minuscule molecule making up tiny crystals that glow when stimulated by ultraviolet light.

**Nanoshells** are minuscule beads coated with gold.

**Dendrimers** are man-made molecules about the size of an average protein, and have a branching shape

### Nano-devices for Human Bodies (The Living Machines)

Challenges apply specifically to the use of nanostructures within biological systems. Nanostructures can be so small that the body may clear them too rapidly

## Nanotechnology is a hybrid science combining engineering and chemistry

for them to be effective in detection or imaging. Larger nano particles may accumulate in vital organs, creating a toxicity problem. Scientists will need to consider these factors as they attempt to create Nano devices the body will accept.

### Practical Applications at a Glance

1. **Monitoring Patients:** In order to successfully detect cancer at its earliest stages, The potential for nanostructures to enter and analyze single cells suggests they could meet this need.
2. **Electronics:** Using Nano-technology electronic component size would shrink along with the cost. It means complex appliances like computer, cell phone etc would be like throw away items. Many complex devices may be merged to offer multi-utility in a single small package.
3. **Automobile:** The changes in electronics and other fields due to nanotechnology would possibly make the automobile run on fuel assembled from Nanotechnology. The engine may be running in some other way not comprehensible today.

### Nanotechnologies in patient care

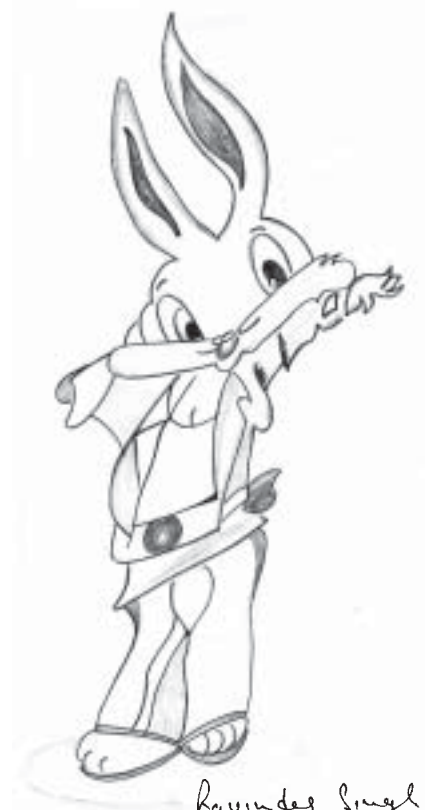
Nanotechnologies that will aid in curing cancer are in various stages of discovery and development. Experts believe that quantum dots, nanopores, and other devices for detection and diagnosis may be available for clinical use in five to 15 years. Therapeutic agents are expected to be available within a similar time frame. Nano devices that integrate detection and

therapy could be used clinically in about 15 or 20 years.

Nanotech could affect medicine, industry, and the fabrication of just about everything you buy, because smaller is not just beautiful, but also cheaper, faster and less wasteful of energy.

### To Sumup

Nanotechnology is a hybrid science combining engineering and chemistry. Atoms and molecules stick together because they have complementary shapes that lock together, or charges that attract. Just like with magnets, a positively charged atom will stick to a negatively charged atom. As millions of these atoms are pieced together by nanomachines, a specific product will begin to take shape. The goal of nanotechnology is to manipulate atoms individually and place them in a pattern to produce a desired structure.



*Ravinder Singh.*

# Rural Marketing by MNCs

SWARAJ PAL SEHGAL  
PGDBM Ist Yr., B

**The rural market accounts for half the total market for TV sets, fans, pressure cookers, bicycles, washing soap, blades, tea, salt and toothpowder**

To expand the market by tapping the countryside, more and more MNCs are foraying into India's rural markets. Among those which have made some headway are Hindustan Lever, Coca-Cola, LG Electronics, Britannia, Standard Life, Philips, Colgate Palmolive and the foreign-invested telecom companies.

## **Opportunity**

The Indian rural market with its vast size and demand base offers a huge opportunity that MNCs cannot afford to ignore. With 128 million households, the rural population is nearly three times the urban.

As a result of the growing affluence, fuelled by good monsoons and the increase in agricultural output to 200 million tonnes from 176 million tonnes in 1991, rural India has a large consuming class with 41 per cent of India's middle-class and 58 per cent of the total disposable income.

The importance of the rural market for some FMCG and durable marketers is underlined by the fact that the rural market accounts for close to 70 per cent of toilet-soap users and 38 per cent of all two-wheeler purchased.

The rural market accounts for half the total market for TV sets, fans, pressure cookers, bicycles, washing soap, blades, tea, salt and toothpowder. The rural market for FMCG products is growing much faster than the urban counterpart.

## **Availability**

The first challenge is to ensure availability of the product or service. India's 627,000 villages are spread over 3.2 million sq km; 700 million Indians may live in rural areas, finding them is not easy. However, given the poor state of roads, it is a greater challenge to regularly delivering products to the far-flung villages. Any serious marketer must strive to reach at least 13,113 villages with a population of more than 5,000. Marketers must trade off the distribution cost with incremental market penetration. Over the years, India's largest MNC, Hindustan Lever, a subsidiary of Unilever, has built a strong distribution system which helps its brands reach the interiors of the rural market. To service remote village, stockists use autorickshaws, bullock-carts and even boats in the backwaters of Kerala. Coca-Cola, which considers rural India as a future growth driver, has evolved a hub and spoke distribution model to reach the villages. To ensure full loads, the company depot supplies, twice a week, large distributors who act as hubs. These distributors appoint and supply, once a week, smaller distributors in adjoining areas. LG Electronics defines all cities and towns other than the seven metros as rural and semi-urban markets. To tap these unexplored country markets, LG has set up 45 area offices and 59 rural/remote area offices.

## **Affordability**

The second challenge is to ensure affordability of the product or service. With low disposable incomes, products

## Coca-Cola uses a combination of TV, cinema and radio to reach 53.6 per cent of rural households

need to be affordable to the rural consumer, most of whom are on daily wages. Some companies have addressed the affordability problem by introducing small unit packs. Godrej introduced three brands of Cinthol, Fair Glow and Godrej in 50-gm packs, priced at Rs 4-5 meant specifically for Madhya Pradesh, Bihar and Uttar Pradesh — the so-called 'Bimaru' States.

Hindustan Lever, among the first MNCs to realise the potential of India's rural market, has launched a variant of its largest selling soap brand, Lifebuoy at Rs 2 for 50 gm. The move is mainly targeted at the rural market. Coca-Cola has addressed the affordability issue by introducing the returnable 200-ml glass bottle priced at Rs 5. The initiative has paid off: Eighty per cent of new drinkers now come from the rural markets.

### Acceptability

The third challenge is to gain acceptability for the product or service. Therefore, there is a need to offer products that suit the rural market. One company which has reaped rich dividends by doing so is LG Electronics. In 1998, it developed a customized TV for the rural market and christened it Sampoorna. It was a runaway hit selling 100,000 sets in the very first year. Because of the lack of electricity and refrigerators in the rural areas, Coca-Cola provides low-cost ice boxes — a tin box for new outlets and thermocol box for seasonal outlets.

The insurance companies that have tailor-made products for the rural market have performed well. HDFC Standard LIFE topped private insurers by selling policies worth Rs 3.5 crore in total premia. The company tied up with non-governmental organisations and offered reasonably-priced policies in the nature of group insurance covers. With large parts of rural India

inaccessible to conventional advertising media — only 41 per cent rural households have access to TV — building awareness is another challenge. Fortunately, the rural consumer has the same likes as the urban consumer — movies and music — and for both the family is the key unit of identity. However, the rural consumer expressions differ from his urban counterpart. Outing for the former is confined to local fairs and festivals and TV viewing is confined to the state-owned Doordarshan. Consumption of branded products is treated as a special treat or indulgence.

Hindustan Lever relies heavily on its own company-organised media. These are promotional events organised by stockists. Godrej Consumer Products, which is trying to push its soap brands into the interior areas, uses radio to reach the local people in their language.

Coca-Cola uses a combination of TV, cinema and radio to reach 53.6 per cent of rural households. It doubled its spend on advertising on Doordarshan, which alone reached 41 per cent of rural households. It has also used banners, posters and tapped all the local forms of entertainment. Since price is a key issue in the rural areas, Coca-Cola advertising stressed its 'magical' price point of Rs 5 per bottle in all media. LG Electronics uses vans and road shows to reach rural customers. The company uses local language advertising. Philips India uses wall writing and radio advertising to drive its growth in rural areas.

The key dilemma for MNCs eager to tap the large and fast-growing rural market is whether they can do so without hurting the company's profit margins.

*Ref Business Line*

# Travelling with Communication Technologies

ASHISH RAUT  
PGDBM Ist Yr., B

**Travel is movement through time and space and every trip is a space/time experience leading to different cultures and times**

Travel is movement through time and space and every trip is a space/time experience leading to different cultures and times. This article is about man on the move, travelling through time and space, through the meaning of human existence. After all, time is the fundament of history, without which past, future, nor present would exist. Without time, thought and human action would not exist. Time is the essence of meaning; space, on the other hand, is the essence of reality. Because our social and biological environment determines our existence, no space means no life. The absence of space also excludes surprises because there is nothing to discover in a void. Hence, space and time determine our position in the universe. To understand this, one should only image being the first man on earth, fatherless, without history, future or frame of reference, full of doubts, in short without a position in time or space.

Undoubtedly, some of next century's most central issues will consist of finding meaning in a universe which, thanks to information and communication technologies, has trivialised time and space and where, after centuries of human history, these key concepts will no longer be obstacles to man.

The first part of this article will give a historic overview of how time and space have been conquered. Then the most recent developments in communication technology, today's possibilities and their consequences will be dealt with. Finally, their implications will be discussed.

## **The Conquest of Time and Space**

The conquest of time and space has undoubtedly been one of man's most permanent non-vital urges. Whereas food and drink are essential to man's survival, the conquest of time and space is not. Nevertheless, it has always been central in man's actions. Apart from the search for means of survival like food and procreation, man also has been looking for ways to increase the speed of his actions by imitating what is happening elsewhere (conquering time) or by looking what can be found over there (conquering space). That is why human history may well be presented as the continuous search to overcome the restraints of space and time by any creative means.

The wheel, for example, initially served to transport food more easily, but soon became a tool for anything that benefited from speed, or the reduction of time. Think of moving armies faster to enemy lines, or the delivery of slaves, or transporting massive stone blocks for the construction of the pyramids. Thousands of years after the invention of the wheel, and still as a result of that search for speed, man is flying to New York by Concorde in only a few hours, a crossing which, not even four hundred years ago, would have taken years, if not the travellers' life.

Trying to conquer time is something we have been doing from time immemorial. Adam himself went to have a look behind the Tree of Paradise where he discovered Eve, a discovery which had

**Just try to tell the story of Robinson Crusoe to children. It's almost sure they will ask why in Robinson's time cellular phones did not exist.**

dramatic consequences. Later, whole generations, tribes, and civilisations did likewise and moved from one spot on the Earth to another, always from the known to the unknown and usually in search of food or to flee an aggressor. Obviously, our reasons to explore the space we live in have expanded over the course of time. Whereas the Crusades, for example, were religiously inspired, the colonial enterprise served purely economic interests. However, man always wanted to see what unfamiliar places had to offer and whether the grass was not greener on the other side.

Nowadays, communication technologies, together with the search for better means of transport, are the prime expression of this basic urge. Actually, communication technologies, carrying data and information, may well be considered to be a means of transport.

The very first step in the history of communication technology quite literally needed the use of one's feet. The Greek marathon, or the physical transmission of a message by means of a relay race, was the first innovation in the process of breaking down space/time barriers in communication. The simple principle of getting a message across as quickly as possible has never changed and resulted today in a situation where speed cannot possibly be increased and where no place on earth is free from communication. The present state of technology allows us to live on an uninhabited island say somewhere in the Pacific and receive whatever television channel we desire by satellite. It allows us to contact whomever we feel like by cellular phone or personal computer and even to follow daily business in our office, if, of course, we would care to.

In these circumstances, just try telling the story of Robert Louis Stevenson's Robinson Crusoe to children. It's almost sure they will ask why in Robinson's time cellular phones did not exist. These

questions reveal a loss of magic and enchantment, one result based on the presence of powerful communication technologies globally.

Another major step in the history of communication was the invention of writing, which may be considered as the graphic record of the spoken word, enabling us to receive messages regardless of space and time. The importance of writing can hardly be exaggerated. It enabled Roman generals to pass into action much more quickly and thoroughly than their communication-technological primitive enemies. And, speaking about the transcendence of space/time, writing also allowed the word of Jesus to spread much more efficiently than that of all the other prophets which existed at that time and competed for attention.

The next step in breaking down the space/time restraints on human communication and the spreading of ideas consisted of print. Printing was as revolutionary as writing allowing communication on a much larger scale. In this respect it is significant that the very first printed books were Bibles, indicating that the process of attributing meaning to communication technologies was often religiously inspired. Religious organisations have had a long standing tradition of utilizing technologies as they emerge (radio, film, and the Internet).

Telephone and telegraph once again broadened the scale on which communication liberated itself from space/time restrictions and this time dramatically so. After all, the telephone permitted individuals to react to messages without having to be in the physical presence of others. The telephone enabled interaction over a distance. It also introduced mobility into communication. It threw overboard the necessity to remain in a village if you wanted to contact family and friends. As

**The Internet is actually nothing more than an application of the principles of mobility, interaction, and interactivity telephone users are familiar with**

a consequence, the social environment (space) into which people moved became potentially enormous. In the United States many live very long distances from one another but still remain united by means of the telephone. It allows them to have the idea, or better the illusion, that they are still a family. In this respect cellular phones are pushing the illusion of remote proximity to the edge. Even on our imaginary Pacific island, one can still cherish the idea that the people one really wants to talk to are just around the corner. Only, they won't be able to be there when they're really needed.

The Internet is actually nothing more than an application of the principles of mobility, interaction, and interactivity telephone users are familiar with, pushed to the extreme and applied to every possible content. From anywhere in the world whatever kind of message (text, image, sound) can be sent and received. Even face-to-face communication can be done across oceans if video conferencing facilities are available.

Finally, audio-visual media complete the transcendence of space/time by means of communication technology. Radio and television, both less than 80 years old, inform us personally about whatever happens anywhere in the world nearly right at the moment when it occurs. It is no longer necessary to travel in order to see a cheetah execute its kill, something which one rarely sees in real life. Similarly, thanks to television, a missionary does not have to return from Rwanda in order to become informed about current events. Thanks to CNN and other media outlets we know exactly what is happening at the moment when a revolt occurs at a safe 12,000 kilometers' distance. Ever since the Vietnam War, which was the first war to be broadcast live, the space/time barrier has been effectively lifted on television.

Technically, all space/time restrictions have been effectively eliminated from the communicative process. We may now know everything as soon as it occurs and can say anything to anyone wherever they are. Clearly, we live in a global space and time.


Events happen in real time, with the smallest possible gap between the event itself and the moment we learn about it. Location is no longer important. The slogan 'The World at your Fingertips' is a favourite in the world of communication technology, because it truly means that with just a few clicks of a button (remote control, mouse, telephone) the world opens up.

Hence, the phrase 'global village' takes on a more realistic meaning. At one point in history physical restrictions (location in a village) determined the context of personal experiences. That is, the neighbourhood determined the view of the world and most people's socialisation. In the global village, exactly the same happens, but on a planetary scale. One may chatter just as easily with a South African friend as with the next door neighbour and get to know more about Rwanda than about one's own neighbourhood. Paul Virilio has pointed out that, as a result, we created a 'temps unique mondial' (single global time) in analogy with 'la pensée unique'. We no longer live according to the rhythm of our village, but on the pulse of the world. Our values are no longer our neighbours' average, but those of 'Neighbours'. We are living in the planetary now, the global moment, the 'hic et nunc'.

How exactly this is influencing our view of life and our socialisation still remains to be seen as the process is still going on.

### **What is Possible?**

The speed and ease of communication has created a new standard: life. When



## **United States armed forces invaded Somalia, a CNN camera crew awaited them on the beach**

United States armed forces invaded Somalia, a CNN camera crew awaited them on the beach. Communication technologies allowed us to see bombs falling on Baghdad during the war with Iraq as if we were watching a video game. Only the absence of a joystick prevented us from giving our own commands. Technically impossible? Not at all. MIR camera's can be directed by means of a personal computer from Earth, at a 40,000 kilometres' distance.

However the incredible speed with which the media operate nowadays also entails some risks. In the first place it multiplies opportunities for mistakes. Think, for example, of the manipulated photographs when the revolt in Timisoara broke out. Second, fast production inevitably entails reduced quality and a lack of profundity.

Communication technologies allow work to be distributed on a global scale. For example, Swissair's accounting is being done in Bombay. In the evening all data are transmitted to India where at that time it is morning. Indian programmers (with lower wages than Swiss counterparts) pick up the data and spend a day's work on them before transmitting information back in the evening, when offices in Europe are opening up. This system is three to five times cheaper than processing data in the West.

Nowadays we dispose of 'global positioning systems', miniaturised personal computers with a satellite connection, which are able to signal your position accurately anywhere in the world with an error of one meter or less. Obviously, this may be convenient when you are lost on the ocean and want to know your location. It also comes in handy when you arrive in a strange city, say Brussels, and want to be directed from Zaventem airport to the city center with a request to a device. The market already offers specialized gadgets which

provide additional details, such as the best Chinese restaurant in the neighborhood.

These technological advances certainly rob some of the adventure of traveling, such as the pleasant surprise of discovering a small, cosy hotel in a new locale. Those of us who still want a travel adventure have to go to quite some length to find it.

## **TYPES OF COMMUNICATION TECHNOLOGIES**

### **What is telematics or telemetry?**

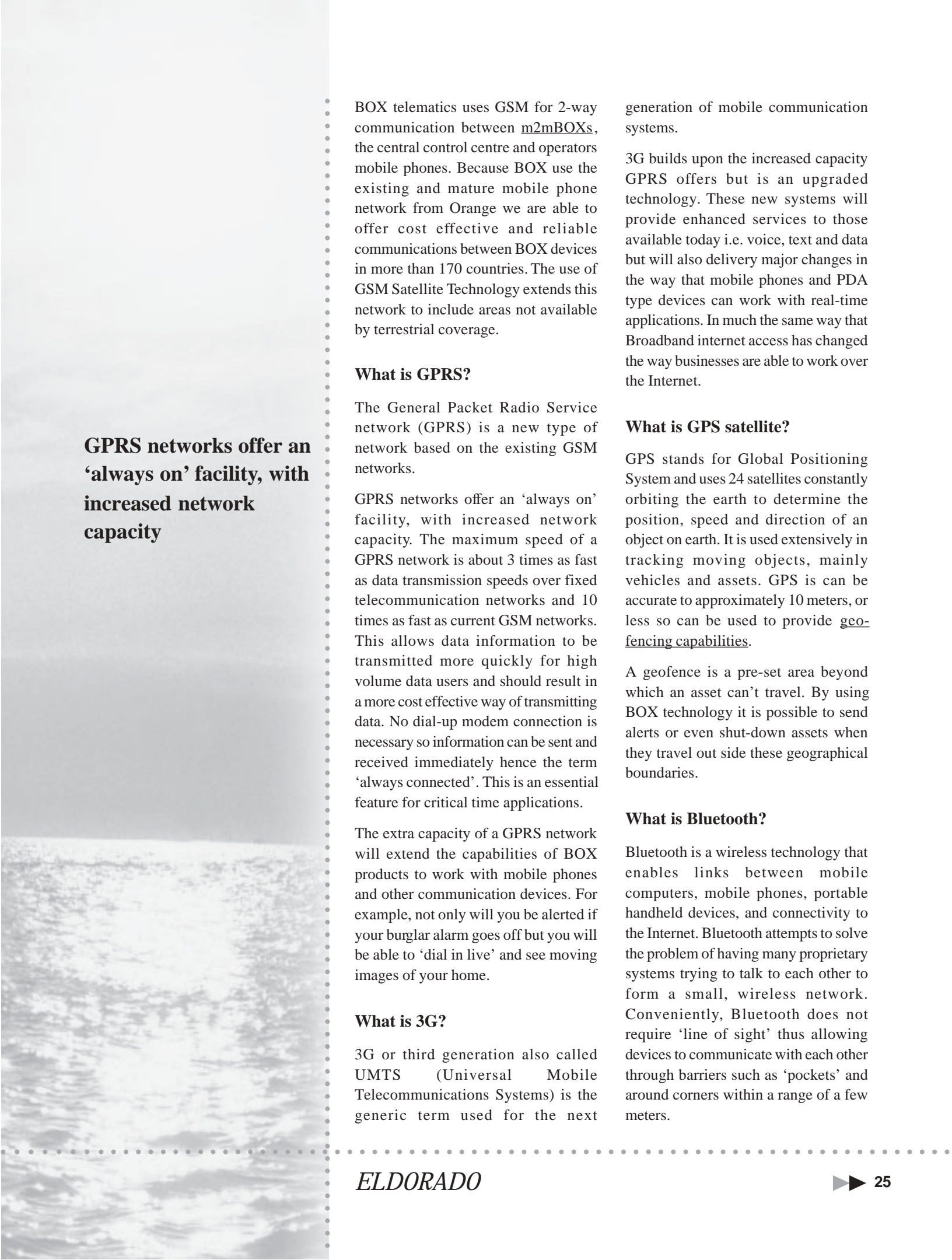
Telematics comes from 'tele' meaning remote and 'matic' meaning measurement. Telemetry means the same thing, although many people incorrectly associate telematics with the automotive industry only. Although vehicle tracking and fleet management is a core application of our BOX technology, remote monitoring can be useful to virtually any industry.

BOX is a highly automated communications device by which measurements are taken and other data collected at static, remote or inaccessible points and transmitted to receiving equipment for monitoring, display and recording. This is called 'remote data capture'.

### **What is GSM?**

GSM stands for Global System for Mobile Communications. Originally developed as a pan-European standard for digital mobile phones, GSM has become the world's most widely used mobile system. It is used on the 900 MHz and 1800 MHz frequencies in Europe, Asia and Australia, and the 1900 MHz frequency in North America and Latin America.





## **GPRS networks offer an 'always on' facility, with increased network capacity**

BOX telematics uses GSM for 2-way communication between m2mBOXs, the central control centre and operators mobile phones. Because BOX use the existing and mature mobile phone network from Orange we are able to offer cost effective and reliable communications between BOX devices in more than 170 countries. The use of GSM Satellite Technology extends this network to include areas not available by terrestrial coverage.

### **What is GPRS?**

The General Packet Radio Service network (GPRS) is a new type of network based on the existing GSM networks.

GPRS networks offer an 'always on' facility, with increased network capacity. The maximum speed of a GPRS network is about 3 times as fast as data transmission speeds over fixed telecommunication networks and 10 times as fast as current GSM networks. This allows data information to be transmitted more quickly for high volume data users and should result in a more cost effective way of transmitting data. No dial-up modem connection is necessary so information can be sent and received immediately hence the term 'always connected'. This is an essential feature for critical time applications.

The extra capacity of a GPRS network will extend the capabilities of BOX products to work with mobile phones and other communication devices. For example, not only will you be alerted if your burglar alarm goes off but you will be able to 'dial in live' and see moving images of your home.

### **What is 3G?**

3G or third generation also called UMTS (Universal Mobile Telecommunications Systems) is the generic term used for the next

generation of mobile communication systems.

3G builds upon the increased capacity GPRS offers but is an upgraded technology. These new systems will provide enhanced services to those available today i.e. voice, text and data but will also delivery major changes in the way that mobile phones and PDA type devices can work with real-time applications. In much the same way that Broadband internet access has changed the way businesses are able to work over the Internet.

### **What is GPS satellite?**

GPS stands for Global Positioning System and uses 24 satellites constantly orbiting the earth to determine the position, speed and direction of an object on earth. It is used extensively in tracking moving objects, mainly vehicles and assets. GPS is can be accurate to approximately 10 meters, or less so can be used to provide geofencing capabilities.

A geofence is a pre-set area beyond which an asset can't travel. By using BOX technology it is possible to send alerts or even shut-down assets when they travel out side these geographical boundaries.

### **What is Bluetooth?**

Bluetooth is a wireless technology that enables links between mobile computers, mobile phones, portable handheld devices, and connectivity to the Internet. Bluetooth attempts to solve the problem of having many proprietary systems trying to talk to each other to form a small, wireless network. Conveniently, Bluetooth does not require 'line of sight' thus allowing devices to communicate with each other through barriers such as 'pockets' and around corners within a range of a few meters.

## Key advantages of RFID include the non-contact, non-line-of-sight nature of the technology

The obvious advantage to Bluetooth is streamlining the communication between BOX products, sensors, machines, control systems and engineers in a local environment, without having to install wiring.

### What is WiFi?

WiFi, or Wireless Fidelity, is also referred to as “802.11b”, “802.11g” and “802.11a” after the IEEE standards it utilises. WiFi is a wireless equivalent of the common Ethernet (a wired network). Anyone can set up a WiFi network and cover an area of typically 100-500 feet with high speed wireless access to a LAN, and hence to the Internet.

Like Bluetooth™ WiFi offers the opportunity for devices to communicate in a local environment, although over a larger distance.

### What is Low Power Radio?

Certain radio frequencies have been allocated for telemetry purposes with restrictions on the type of data sent. For example at 458 MHz there is a band dedicated to telemetry; the transmit power is restricted to 500mW and therefore the range is limited to approx 20 kilometers. BOX telematics uses low power radio frequencies to transmit data between slaveBOXs and hubBOXs.

### What is the difference between local wireless and ‘wire-free’ technologies?

Bluetooth can only transfer data over a range of a few meters, WiFi up to a few hundred meters. Wirefree technologies, however, as utilised by BOX telematics allows data to be transferred world-wide.

### What is RFID?

RFID is a maturing technology used for inventory tracking. It found its feet in

manufacturing, where barcodes are not tough enough, and automated vehicle identification systems because of its ability to track moving objects. As costs fall, it is now being more widely adopted in situations where detailed knowledge of an inventory is required. A move that has launched it into public conscience with concerns over privacy, or example in supermarkets.

The basic RFID system consists of three components: an antenna or coil, a transceiver with decoder and a tag that is electronically programmed with unique identity information. When physically close, the antenna emits a low powered signal that generates a response from the circuitry within the tag. This response is then received and interpreted by the transceiver.

Key advantages of RFID include the non-contact, non-line-of-sight nature of the technology. Tags can be read through a variety of substances such as snow, fog, ice, paint, crusted grime and other visually and environmentally challenging conditions where barcodes or other optically read technologies would be useless. RFID tags can also be read in challenging circumstances at high speed, in most cases responding in less than 100 milliseconds



# Is Power Branding -the Success Mantra of FMCGs

REETI BORA  
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**The concept of 'Power brands' came into existence with the new role of retailer as an economic partner**

**Global marketing experts aren't too bullish about a brands strategy's impact on the balance sheet**

## INTRODUCTION

The concept of 'Power brands' came into existence with the new role of retailer as an economic partner. The principle is very simple; here brands are rationalized to support the super retailer. P&G along with Wall-Mart pioneered the concept.

In 1999, P&G's arch-rival Unilever also decided to focus on 400 out of its 1600 strong brand portfolio. Two years later, Unilever Indian arm, too, adopted the same strategy. Hindustan Lever decided to spend on only 30 brands and 10 regional brands from its original portfolio of 110 brands. Other Indian companies, too, decided to follow the power brands strategy, including Godrej, Britannia, Dabur and Marico. Recently, Vijay Mallaya's United Spirits also joined this group by naming Director's Special, Antiquity, Bagpiper, McDowell No 1, Signature and 10 other brands as power brands.

## CONCEPT OF POWER BRANDING

In 2001 when the concept of power branding came to India, the Indian FMCG market was crowded. More than 3000 advertisements were beamed on television every month, while stock-keeping units at retail outlets had increased by over 40 percent, in just three years. Unfortunately, for the most part, shop sizes remained the same; and it affects in in-store displays and impulse purchasing. Even the plethora of television commercials wasn't helping the FMCG cause: it was difficult to stand out amidst the clutter.

In 2001, HLL was the first company to come in the forefront to follow power-branding strategy with top five brands. It contributed more than 3000 crore to the company's turnover (close to 30 percent of sales). In a nutshell HLL capitalized the belief on the "size, brand strength, uniqueness and growth potentials". It helped the brands to grow under the prevailing market conditions.

For others like Marico, GCPL or Dabur, too, "getting more from fewer brands" became the magic mantra. In 2002, GCPL decided to focus on five brands in a bid to sustain; since these five contributed more than 90 percent of the company's total sales.

Around the same time, Marico decided to exit from slow-growth, low margin sectors such as Sweekar edible oil and Sil jams. Instead, it choose to stick with brands like Parachute, Saffola and Hair & Care.

According to Arindam Banerjee, professor and chairman, marketing area, Indian Institute of Management, Ahmedabad, "Power branding counters brand dilution by allocating organization resources on lesser but more secured marketing investments". And Adi Godrej of GCPL says in this regard "Power branding is not to prevent dilution of brand, but to prevent dilution of the company's focus. If a company has 10 brands and tries to support all of them, focus on important brand will be diluted".

Global marketing experts aren't too bullish about a brands strategy's impact on the balance sheet. According to some Marketers Power brands will have an impact on the bottom line of companies,

but not necessarily on the top line growth. But according to some other school of thought “You may have problems in the short run, but these can be ironed out in the long run. Introducing brand variants will help”.

If we consider some numbers, we can see between 2001-2002 and 2004-2005, GCPL increased 19.66 percent. Over the same period, turnover went up less than 4 percent.

But in sharp contrast, Marico has shown significant hikes in both turnover and profit from 2002 to 2005. On the other hand; HLL has been plagued by flat or declining growth for some time now. Between 2001 and 2004, profits plunged more than 22 percent, while turnover dropped by Rs892 crore. The troubles magnify when specific categories are considered. Again the growth may be due to other reasons such as price hikes.

That is why we can say Power brands may be “powerful” to the company or the retailer, not necessarily to the consumer. But a senior executive of HLL counters the above statement and says, “the mix impact was because of the migration phase to power brands – sales of non power brands declined”. He emphasized that the company’s power brand strategy will boost both topline and bottomline growth in future.

But India does not have a very smooth market to follow the strategies of Power branding as it has diversified taste, preference, demand and culture. Brooke Bond tea may be a power brand for HLL, but it has different competitor in different market; eg Wagh Bakri rules in Gujarat but Girnar and Sapat are the top players in Maharashtra. Again India is having the peculiarity of Rural Market, which makes it more complex.

Power brand strategy allows a company the luxury of targeting fewer, profitable segments. But penetration is difficult to achieve with this strategy. To have a way out, leading FMCG giant like HLL is

dividing it’s market on two bases i.e. on national basis with 30 superpowers and 10 regional jewels. Godrej is also attempting to beat regional diversity at its own game. For instance, in 1998-99 the toilet soap Godrej No.1 entered the sub popular category with the offering: Rose, which is very popular in northern states such as Uttar Pradesh, Bihar, Madhya Pradesh and Rajasthan. Soon it launched the second variant ie. Sandal, which has proved very popular in Southern Markets.

## CONCLUSION

With the above endeavor, the changes in the urban shopping also landscape renew hopes. Most analysts expect shoppers to throng to malls and hypermarkets, for everything from electronics and clothing to groceries. Now the question comes, how organized retail will help power brands? In developed markets, all brands, leaving aside the top three sellers, have to buy space on retailer shelves. So it is important to be No.1 or No.2 in a category.

Marketing experts claim that large-format retailers have changed the destiny of companies in foreign countries. According to Mr. Jagdish Sheth, “When a Wal-Mart will happen to India, the power branding companies will reap the benefits” As organized retail formats will provide more display space to power brands, they will be sold more. Marketers believe whatever gets seen, and attracts customers gets sold.

So, can we expect the success of Power branding strategy in India? Where only 3% of Indian customers shop through organized retail outlets. The average in Asia is 30% to 35%. The answer will depend on the category, the market and the consumer; which are never predictable accurately.

*SOURCE: Article by Govind Krishna Seshan & Satish Sarangarajan (Business Standard)*

# An overview on Indian Steel Industry

**GAURAV MTNEJA**  
PGDBM Ist Yr., B

**India has started a tremendous programme of highway construction across the country. As a result, the domestic steel demand has risen**

The first time around independent India's steel revolution was the adorable child of the well meaning and naïve Nehruvian. Vision of 'Soft Socialism' Those were the days when 'Foreign' and 'Private' capital were the anathema for India's Policy establishment.

A few decades down the road, after that socialist vision has withered away. It is \$12 billion gamble by a foreign player POSCO that could well start another revolution in the country.

#### Current Scenario

The Indian steel Industry went through turbulent phase in the back drop of a global economic slow down revealing that the Industry was now globally linked and was impacted by the developments in the international markets. As per the 9th plan (1997-2002) steel production targets the industry had started investing in the fresh capacity. While the installed capacity of the Industry went up to the 35MT, slow down in all the sector of economy and depressed global demand. Resulted in the mis-match between installed capacity and demand.

All steel majors barring TATA steel went in to the red and in 1999-2000 questions were being asked whether the steel industry would survive or not.

But steel industry now in general, is on the upswing, due to the strong demand in both domestic and international markets.

As part of building infrastructure, India has started a tremendous programme of highway construction across the country. As a result, the domestic steel demand has risen.

	2003-04	Dec 31, 2004
W.P.I (For Iron and Steel)	<b>202.1</b>	<b>237.8</b> ^35%

In October 2001, India Steel Alliance (I.S.A) was formed. It is an association of major steel producers in the country. I.S.A. objective amongst other things included is prompting steel usage as well as the development of the steel industry in the country. I.S.A. is affiliated to the Confederation of Indian Industry (C.I.I).

Currently I.S.A. constitutes are:

- Steel Authority of India Limited
- M/s JSW Steel Limited
- Essar Steel
- Ispat Industries
- Rastriya Ispat Nigam Limited

Some facts about Indian Steel Industry

- Steel is yet to touch the lives of million of people in India. Per capita consumption of steel is only 29kg as compared to USA's 400kg and world average 140kg.
- The Indian steel industry is among the least protected in the world. While developed countries have put numerous tariff and non-tariff barriers on steel export from the country, the domestic industry is

**For a nation that is economically strong, free from problems of underdevelopment and plays a meaningful role in the world as befits a nation of over 1 billion people, the ground work will have to begin right now**

exposed to cheaper imports from competing nations.

- Government regulated prices and free market is not prevailing.
- Indian producers employ world class standards and technology. Steel from India finds growing acceptability in international market.
- But despite this India's share in World Trade Steel is minuscule 2%. The government envision India becoming a developed nation by

2020, with a per capita G.D.P. of \$ 1540.

For a nation that is economically strong, free from problems of underdevelopment and plays a meaningful role in the world as befits a nation of over 1 billion people, the ground work will have to begin right now.

The Indian Steel Industry will be required and is willing to play a critical role in achieving this target.

### The Year's Best Actual Newspaper Headlines

1. Include Your Children when Baking Cookies
2. Something Went Wrong in Jet Crash, Expert Says
3. Police Begin Campaign to Run Down Jaywalkers
4. Safety Experts Say School Bus Passengers Should be Belted
5. Drunk Gets Nine Months in Violin Case
6. Survivor of Siamese Twins Joins Parents
7. Iraqi Head Seeks Arms
8. Prostitutes Appeal to Pope
9. Panda Mating Fails; Veterinarian Takes Over
10. British Left Waffles on Falkland Islands
11. Lung Cancer in Women Mushrooms
12. Eye Drops Off Shelf
13. Teachers Strike Idle Kids
14. Clinton Wins on Budget, But More Lies Ahead
15. Enraged Cow Injures Farmer With Ax
16. Plane Too Close to Ground, Crash Probe Told
17. Miners Refuse to Work after Death
18. Juvenile Court to Try Shooting Defendant
19. Stolen Painting Found by Tree
20. Two Sisters Reunited After 18 Years in Checkout Counter
21. Killer Sentenced to Die for Second Time in 10 Years
22. Never Withhold Herpes Infection from Loved One
23. War Dims Hope for Peace
24. If Strike Isn't Settled Quickly, It May Last a While
25. Cold Wave Linked to Temperatures
26. Deer Kill 17,000
27. Enfields Couple Slain; Police Suspect Homicide
28. Red Tape Holds Up New Bridges
29. Typhoon Rips Through Cemetery; Hundreds Dead
30. Man Struck By Lighting Faces Battery Charge
31. New Study of Obesity Looks for Larger Test Group
32. Astronaut Takes Blame for Gas in Spacecraft
33. Kids Make Nutritious Snacks
34. Chef Throws His Heart into Helping Feed Needy
35. Arson Suspect Held in Massachusetts Fire
36. Ban On Soliciting Dead in Trotwood
37. Local High School Dropouts Cut in Half
38. New Vaccine May Contain Rabies
39. Hospitals are Sued by 7 Foot Doctors

*Sing Like Nobody's Listening  
Dance Like Nobody's Watching, Love Like You've Never Been Hurt,  
Live Like it's Heaven on Earth.*

# Learning organisations challenges in the 21<sup>st</sup> century

SWATI MAHAJAN  
PGDBM Ist Yr., B

**A Company will be successful only if it is a learning organisation. Learning can be fullstop learning, proactive learning, corrective learning**

**Learning is a journey and not a destination**

**W**e got the privilege of attending a panel discussion on learning organisations on 1st September 2005. The eminent speakers were Mr. Subir Vyas (Director, HR GAP International Sourcing India Pvt. Ltd.) and Mr. K.K. Srivastava (Senior Consultant, Third Millennium Business Resource Associates Pvt. Ltd.)

Organizations where people continually expand their capacities to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people continually learn how to learn together are called *learning organizations*. They learn, delearn to relearn the process of learning. Learn from your past and moves to your future (learn to anticipate the future).

**Learning is a continuous process. Learning ends with the end of life.**

These days organizations are less dependant on hardware and more dependant on brainwave, because to achieve your targets and to be successful you need to keep learning. Companies like Levis failed because they failed to learn the consumer behavior and change in their tastes and preferences. A Company will be successful only if it is a learning organisation. Learning can be fullstop learning, proactive learning, corrective learning.

Anything and everything that facilitates our intentions into accomplishments is called learning. Learning is a journey and not a destination.

How do you design a learning organization?

- Organizations must have a mission and a vision. They must have a strategic plan
- Support structure should be strong enough. There must be enough financial and human resources to support your plan.
- learning mechanisms should be made clear. Learning can be from 2 sources

*External Learning* (environment scanning and audit)

*Internal Learning* (customer response, feedback, analyzing competitive behavior, innovations.)

*SMART* way of learning implies

*S* - select a goal

*M*- mapping out how to achieve these goals

*A*- acting on the basis of plans

*R*- review and evaluation

*T*- target the next learning goal

At the heart of a learning organization is a shift of mind —from seeing ourselves as separate from the world to connected to the world, from seeing problems as caused by someone or something ‘out there’ to seeing how our own actions create the problems we experience.

**Learning organization would be an entity which individuals “would truly like to work within and which can thrive in a world of increasing interdependency and change.”**

A learning organization is a place where people are continually discovering how they create their reality. And how they can change it.

Learning organization would be an entity which individuals “would truly like to work within and which can thrive in a world of increasing interdependency and change.”

**GAP** is a 35 year old company. It deals mainly in apparels and accessories. It is a U.S based clothing company and has a powerful brand name in U.S. It operates in Canada. Japan and parts of Europe. Its mission is to ensure that the products are of right quality, reach at the right time and to right customers. **GAP** is a learning organization. **GAP** recognizes that each person plays a role in the success of the organization.

**GAP** people strategy is about investing in you to unleash the undiscovered talent in the company. **GAP** creates new

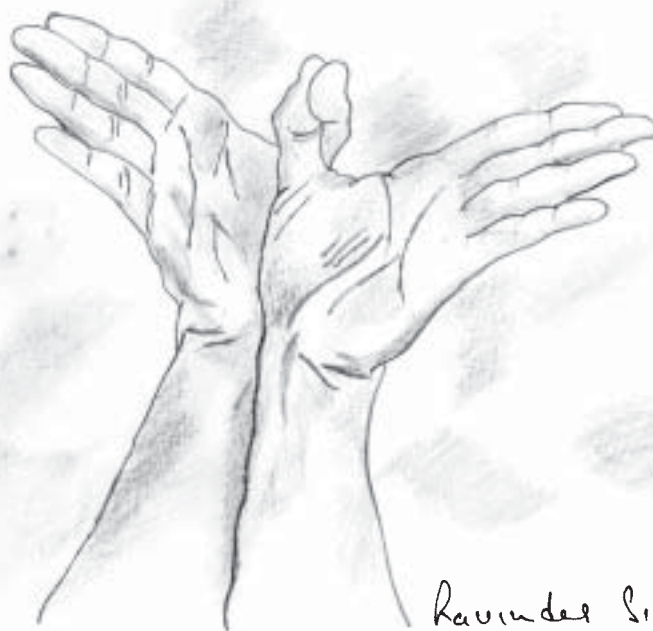
brands, customers, vendors and geographical territories.

The focus is on attracting, developing, retaining and investing learning in their people. They have internal learning in the form of training program, feedback, analysis, check-in, needs assessment and external learning.

They have crated a climate that is right for learning and have developed a more broad based management. The HR acts as a nucleus, is in constant touch with leadership personnel and managers to facilitate and communicate what is necessary.

**LEARNING IS UNDERSTANDING, EXPLORING, REFLECTING AND DEVELOPING YOUR KNOWLEDGE**

*“Never be frightened to ask-WHY you may learn something”*





# Healthcare: Medical Tourism

MONISH MAHESHWARI  
PGDBM Ist Yr., B

**The country has at least 100 institutions including medical colleges, private hospitals etc. that are comparable to the best in the developed countries. People from foreign have already started coming to India for various treatments**

The growth in the Indian healthcare sector which accelerated due to recognition on the part of developed world is now reaching a frenetic pace.

India may not rank high in the United Nations Human Development Index. The country is gaining prominence among the offshore patients as a hub for quality medical treatment coupled with majestic tourist places at a cost which is less than half as compared to what is incurred in the developed countries.

Prime concern not being of funds those of competent personnel than the hospitals is acting as a catalyst in the quest for quality treatment hence their inclination towards India.

Perceived as one of the fastest growing segments in marketing 'destination India' today while this area has so far been relatively unexplored we now find that not only the ministry of tourism but also various state tourism boards and even the private sector which includes travel agents, tour operators, hotel companies and other accommodations are all eyeing health and medical tourism as a segment with tremendous potential for future growth.

Kerala with the slogan God's own country has pioneered health and medical tourism in India and which has resulted in the substantial increase in the visitors Kerala has although focused exclusively only on Ayurveda good facilities are available in other traditional as well as modern treatment a wide range of hospitals like Lilavati hospitals, Jaslok hospitals, Bombay hospital, Hinduja hospitals and

Wockhardth hospital and Apollo hospitals wellness retreat help promote medical treatment in India, hotels like rejuvenating both the domestic and international tourist.

## Trends in the sector

The country has at least 100 institutions including medical colleges, private hospitals etc. that are comparable to the best in the developed countries. People from foreign have already started coming to India for various treatments at Apollo and Escorts hospitals. People from Pakistan, Bangladesh, Nepal, Bhutan and gulf countries come for treatment in the premier hospitals in India. The image of India is further strengthened by the presence of Indian doctors in well known hospitals and research institutions abroad.

Advertisements in newspapers about vacancies of Indian doctors and nurses and other paramedical staff have become common in India. Government hospitals in these speciality treatments in UK have a long waiting list of patients and treatment in private hospitals in such countries is very expensive as compared to India.

## Cost comparison

A study shows that the cost of undergoing minor surgeries in the best Indian hospitals is approx. 30% of that in Britain. The country has been witnessing a large number of dental tourists from Europe over the years. Dental white filling in Europe costs about 400 euros, equivalent to Rs.

**More than 70000 patients are attracted towards India who avoid going to US and Europe due to various political reasons. The segment is considered as a next big forex earner for the economy and has the potential to create millions of jobs**

### Comparative price list

surgery	Us(\$)	India(\$)
Bone marrow transplant	400000	30000
Liver transplant	500000	40000
Open heart surgery (cabg)	50000	4400
Neuro Surgery	29000	8000
Knee surgery	16000	4500

24000 whereas in India it costs just Rs. 2000-3000.

### Growth Pattern\_ of sector.

The Apollo hospital which is one of the best in country with its 30 branches spread over the country has already treated more than 60000 foreign patients from more than 34 countries in the last decade. More than half of them came in the last decade. Besides these reports also show that other premier hospitals located in large cities in India have long queues of patients from neighboring countries as well as Middle East and Africa seeking cheap and effective health care services.

The change not being a sudden one has been brought about due to the presence of more than 35000 speciality doctors of Indian origin in United States alone and many more in other countries. Some time before there used to be large time gap between the introduction of latest technological products in the West and in India but now this gap has almost been bridged and launching of such modern gadgets occurs simultaneously in India and in the West. Also prominence of western doctors has been cracked and Indian counterparts are said to have surpassed them.

### Size of Indian industry

The medical tourism which is growing at a rate of 30% annually now stands at

around 50 hundred crores. According to a Mckinsey report the Indian healthcare industry is expected to touch \$5 billion. More than 70000 patients are attracted towards India who avoid going to US and Europe due to various political reasons. The segment is considered as a next big forex earner for the economy and has the potential to create millions of jobs.

### Problems faced

Despite being an attractive medical tourism destination the reason of not being able to attract foreign patients in large numbers is mainly attributed to Indian hospitals lacking accreditation from joint commission on accreditation of health care {jcaho}, lack of standards in terms of quality, absence of gradation system and imperfect insurance sector. In great contrast to the UK health care scenario, where hospitals are standardized, audits regularly performed in hospitals graded, the systems are completely absent in Indian hospitals. The Indian hospitals have high infection and mortality rate but they do not want to share these data.

### The future

The time has come for India to move beyond Ayurveda and other alternative medicines to high level treatment as the country has tremendous potential to capture a major part of international healthcare treatment as it could offer

**The time may come when everything appears lost. But all that is required by you is the will power, not to quit: when the last step is to be taken. It is the last step in a race that counts. It is the last stroke in the nail that counts**

treatments that are at par with international standards.

India can provide specialized at a very cheap rate treatment like transplanatation of vital organs, cancer treatment, neuro-treatment and cardiac surgery. The main demand would arise from millions of NRI's living all over the world.

Economists see the healthcare sector in the sunrise industries that includes tourism, food processing and biotechnology. Joint initiative by the government and the private sector in providing duality healthcare services can immensely benefit in short run and raising the healthcare standard should be the long term objective.

## Winning by Will-Power

**“Where there is a will, there is a way”**

Strong Will-Power enables a person to accept challenges and fight back against all odds. A person with a rock solid “will” will be indomitable and will have the stamina to stick to his decisions, no matter what the situation is nothing can deter the strong willed individual from achieving success.

There may be situations when you may get into a tight corner and everything goes against you. The time may come when everything appears lost. But all that is required by you is the will power, not to quit: when the last step is to be taken. It is the last step in a race that counts. It is the last stroke in the nail that counts. Be bold, dare and do.

The unique feature of will power is that the more you exercise it, the more you develop it. It multiplies in geometric progression in an individual. Therefore the only way one acquires strong will power is to begin exercising it at each possible opportunity. It will also help in gaining self-control and self confidence. In fact self- control and self confidence are only an extension of one's will power.

Every human being is born with a certain measures of will power. Some exercise there will power and develop it. The necessity to exercise will power would be necessary only till you develop the habit.

The will power of an individual can also be strengthened considerably, especially when directed towards overcoming entrenched bad habits like smoking, drinking, gambling and the like. One motivating factor could be to contemplate on the advantage of giving up the bad habit and the disadvantage of persisting it. The other factors which go to strengthen one's will power are enthusiasm, optimism, faith, interest, keenness, urge and a sense of responsibility.

It is true that for anything and everything, there will be a way provided there is a will. Assert with absolute confidence that you will find a way to make it. Go ahead with courage and determination. You are certain to win SUCCESS.

SOURCE: CSR

BY BHAVNA TRIPATHI

# Poems



## Be the Best

If you can't be a Pine,  
On the top of the Hill,  
Be a Shrub in the Valley-  
The best little Shrub by the  
Side of a Rill.

If you can't be a Bush,  
Be a bit of the grass.  
If you can't be a musician,  
Just be Bass,  
But be the best one in the class.

If you can't be a Highway,  
Just be a trial.  
If you can't be a Sun,  
Be a little Star;  
It isn't by the size that,  
You win or you fail,  
Be the best of whatever You are.

**Ashish Raut**  
PGDBM I.

## Dreams To Determination

I am a pauper,  
Cannot afford a Saucer,  
But still I can dream,  
About my future,  
Away from poverty,  
Away from hopelessness,  
Away from my shabby extremes.  
Yes!! I can see it!!  
That is where I will be,  
And the whole world will see.  
The sky will be mine,  
All limits I shall resign,  
All boundaries I shall break,  
And success – I shall make.  
I just can't stop seeing myself,

In that building,  
In that lavish office,  
Sitting on a cushioned chair,  
Giving instructions, handling  
Calls pouring in from everywhere.  
God has not made me,  
Just to eat, drink and weep,  
Just to lead an aimless life,  
And finally lie down,  
In an eternal sleep.  
I can't allow myself,  
To be overpowered by  
Lines of my palm,  
To just see what I get,  
And remain satisfied and calm.  
I have to pave my own path,  
And take in from the world,  
Till my capabilities last.  
They say –  
Rome was not built in a single day,  
Your destination is miles away,  
Creating success is not a child's play.  
I reply –  
I and the people,  
Who built Rome,  
Were created by God,  
Out of the same clay.  
I will build a path,  
With the help of sheer hard work,  
And reach the destination,  
That is lying miles away.  
I have my flesh and blood to exert,  
And my wits,  
To tackle difficulties lying covert.  
Because from now onwards,  
There is no stand by,  
As I have determined,  
To go above the world,  
And taste the sky.

**Stuti Verma**  
PGDBM – 2005 – 2007  
Section – B

### **Just Smile**

When depressed and saturated,  
When deeply hurt,  
Under the mountain of worry,  
Just Smile .....

When you have a long way,  
And miles and miles of subway,  
Just think for a while  
And put on a big Smile.

When you are wrongly hurt,  
Ridiculed and criticized  
Don't turn blue and shed tears  
Just wear a Smile.

When you know no one is here  
To comfort and to console you,  
Just Smile.

You feel you have lost the beetle,  
Of life, dear friends,  
You will get thought,  
Just Smile.

**Surbhi Kansal**  
PGDBM I

### **Inspiration**

Life is a station,  
Full of inspiration.  
After each motion,  
There lies an inspiration.  
From Tears you get,  
An inspiration to smile.  
From fears you get,  
An inspiration to fight.  
From rivers you get,  
An inspiration to flow.  
From airs you get,  
An inspiration to blow.  
From moon you get,  
An inspiration to glow.  
From mountains you get,  
An inspiration to be high.  
From bird you get,  
An inspiration to fly.  
From pigeon you get,

An inspiration to love.  
From an engine you get,  
An inspiration to be tough.  
From man you get,  
An inspiration to be stiff.  
And from the word I get,  
An inspiration to write about  
"inspiration".

**Ashish Raut**  
PGDBM I

### **Smile**

Smile is infectious,  
You catch it like the flu,  
When some one smiled at me today,  
I started smiling too.

I walked around the corner  
And someone saw my grin,  
When he smiled, I realised,  
I'd passed it onto him

I thought about the smile  
And realised it's worth;  
A single smile like mine  
Could travel around the earth

If you feel a smile begins  
Don't leave it undetected,  
Let's start an epidemic quick,  
And get the world "infected"

**Neha Goel**  
PGDBM I

### **Reflections in a window pane**

An effort to see more clearly, the  
images of life which often appear  
distorted and incomplete while  
looking at them in the window of  
time...War of the worlds.Its a conflict  
between ...  
the extrovert and the pervert.....  
the orthodox and the paradox....  
the conscious and the presumptuous....  
the inventor and the creator....  
the chained and the pained.....

the frivolous and the incredulous....  
 the ability and the disability.....  
 the time and the rhyme.....  
 the bending and the impending.....  
 the physical and the philosophical.....  
 the dumb and the numb.....  
 Its a conflict of my worlds.....  
 between myself and thyself.....  
 the mind is the battleground,  
 and the soul is that bleeds.....  
 Its a war between.....  
 the conscious and the odious....  
 and lest the my dies....  
 the thy shall never rest.....  
 The conflict between myself and  
 thyself arises more often than I would  
 desire. And on days like today, puts  
 forth questions I have no answers  
 to.....and in the end, when I give up in  
 despair, I find solace in the words of  
 Robert Graves.....  
 He is quick, thinking in clear images;  
 I am slow, thinking in broken images.  
 He becomes dull, trusting to his clear  
 images; I become sharp, mistrusting  
 my broken images.  
 Trusting his images, he assumes their  
 relevance; Mistrusting my images, I  
 question their relevance.  
 Assuming their relevance, he assumes  
 the fact; Questioning their relevance, I  
 question their fact.  
 When the fact fails him, he questions  
 his senses; when the fact fails me, I  
 approve my senses.  
 He continues quick and dull in his  
 clear images; I continue slow and  
 sharp in my broken images.  
 He in a new confusion of his  
 understanding; I in a new  
 understanding of my confusion.

**Swati Mahajan**  
 PGDBM I

## Life's Accountancy

My parents are my Opening Stock  
 What comes I Debit...  
 What goes I Credit...  
 My birth is my Purchase A/C  
 My ideas are my Assets  
 My problems are my Liabilities  
 Happiness is my Profit  
 Sorrows are my Loss  
 Soul is my Goodwill  
 Heart is my Fixed Assets  
 Duties are my Outstanding Expenses  
 Good will is my Prepaid Expenses  
 Friendship is my hidden Adjustment  
 Character is my Capital  
 Bad things I always depreciate  
 Good things I always appreciate  
 Knowledge is my Investment  
 Patience is my Interest  
 My mind is Cash Balance  
 My thinking is my Bank Balance  
 Behavior is my Journal Entry  
 Aim is tally the Balance Sheet  
 God is my Closing Stock  
 My death is my Sales A/C

**Nitika Jain**  
 PGDBM I

*'Asatho Ma Sathgamaya,  
 Thamaso Ma Jyothirgamaya  
 Mruthyorma Amrthangamya'*

Lead me towards truth from untruth  
 Lead me towards light from  
 darkness  
 Lead me towards immortality from  
 Death

(Source: Brihadaranyaka Upanishad  
 1:3,28 around 3500 bc)

# A Date...

A Story By:  
**GARIMA MADAN**  
PGDBM Ist Yr., A

**She saw me and gave me a bright, toothless grin. “Can you help me do my hair, young lady?”**

This happened a few years back. The new session for standard X had already begun and our summer vacation was temptingly going to end. There were preparations for an exciting tour to North East in full swing by my friend's family and incidentally, I happened to be a part of it.

But a teacher gave me a call from school. She had an assignment for me. I prayed to God, 'not this time'. She said that I was appointed one of the members of a social-workers group, which was to be on duty in that month.

When I returned home I asked my mother, "Do I have to go?" "Yes", she said, "You have to and that's all about it." Before I could protest against the tyranny she was out of the room. That night I gingerly opened the booklet. I read through the haze of tears and saw that it was one of those projects in which school children visit hospitals and are assigned one patient each for 15 days. We were to sit and talk to our 'subject' as the book said and keep them free of tension.

The next day, as I boarded the bus, which was to take us to the home of sick and old, St.Mary Nursing Home, I gave my mother a reproachful look mixed with an expression of selfless martyrdom. My mother smiled encouragingly, "This is an experience to remember, go ahead and give your best. Good Luck!" As the bus moved away, with 12 more girls with me, I felt

acid tears stinging my eyes. Very soon, as the dam broke, my dreams about a great holiday in the hills were washed away into a torrent of copious salt-water flow.

St.Mary Nursing Home was situated 25 km from the main city and housed mostly elderly people. As I neared its spotless white brick building I felt calmer. At the reception each one of us, was given a slip with details of our 'subjects'. On mine I found the words, "Mrs.S.Singh", TERMINAL WARD! Room No: 2.

I entered the room and saw my subject for the first time. She was an old lady with grey hair which she had done doing up in an unsuccessful bun. She saw me and gave me a bright, toothless grin. "Can you help me do my hair, young lady?" I went up to her wordlessly and did up her hair for her, as she wanted. Then I introduced myself and she did the same. She was suffering from BREAST CANCER, I was told.

That day I talked to her about my aspirations regarding the future and she talked of her happy past. She was not angry with life for having cheated on her. Instead, she was thankful for everyday of her life.

Then, it became a routine. Everyday at 9'0 clock I would knock at her door and would be summoned in by her alert, silvery voice. Then I would do her hair, help her settle her bed, arrange flowers in the vase- she loved poppies best, read

**She once said to me,  
“You won’t find this  
today, tomorrow. So  
make your today happy  
so that you do not regret  
tomorrow.” This has  
ever since been my  
motto**

the newspaper with her, and then talk, talk and talk. At 2.p.m. I used to read her a magazine. At 8.p.m. I would retire to my room in the adjoining hostel.

There is something which I have never told anyone- everyday in the morning, when I knocked at the door and heard her soft voice beckoning me in, a wave of sheer calm used to sweep over me for I have always dreaded that she would be dead. I have never been more thankful to God as I was when I heard the three familiar words every morning- “Do come in “.

I had started enjoying my social work. Mrs. Singh was a delight and was full of vitality. Ironically, she was the one who kept the tension down by assuring and reassuring me about my boards, my future and the rest. She once said to me, “You won’t find this today, tomorrow. So make your today happy so that you do not regret tomorrow.” This has ever since been my motto.

But all good things must end, such is the transience of life. My trip came to

an end. As I said good-bye to my ‘subject’, neither of us could blink back the telltale tears. We parted on a tearful note saying our good-byes as many as times as possible. As I left, she gave me a small bedside mirror, which I had always admired. “I won’t need it up there, but my pretty lady will need it down here”, she said trying to sound joyful.

I came home. After a month at the nursing home, everyone expected me to be exhausted, totally pooped out and raw with my mother. But of course, it was not so, instead, I felt a lot happier, calmer and thankful to my school for having sent me on such a memorable trip. It was as my mother had said, “An experience to remember.”

Mrs.S.Singh is no more. I never knew what her initial ‘S’ stood for but ‘sweet’ sounds good enough! Her gift, the mirror, still stands at my dressing table and every time I look into it I can imagine her sitting on her bed, trying to ‘do up’ her grey hair in a designer bun and I can’t help smiling into it.

## One Day of Law Class

One day in Contract Law class, a Professor asked one of his better students, “Now, if you were to give someone an orange, how would you go about it?”

The student replied, “Here’s an orange.”

The professor was livid.

“No! No! Think like a lawyer!” the Professor instructed.

The student then recited, “Okay, I’d tell him, ‘I hereby give and convey

to you all and singular, my estate and interests, rights, claim, title, claim and advantages of and in, said orange, together with all its rind, juice, pulp and seeds, and all rights and advantages with full power to bite, cut, freeze and otherwise eat, the same, or give the same away with and without the pulp, juice, rind and seeds, anything herein before or hereinafter or in any deed, or deeds, instruments of whatever nature or kind whatsoever to the contrary in anyway notwithstanding...”



# Management Education and Case study methodology

GAURAV JAIN  
PGDBM Ist Yr., A

**In management it is all about identifying the opportunity or predicting it and acting at the right time. This can only be possible if the knowledge gained is applied in proper manner Management is all about implementation and action**

3 months in this MBA and I have received a shock !!!!!!!

A shock? Yes a cultural shock.

Education is totally different here from our good old college days.

We used to go to college early, to sit at last bench, talk through out lectures or for a change ask some questions to the teacher.

Study used to come into play one month before exams, mug up and vomit there, big relief.

No team works, no pressure of presentations.

But, here the scene is totally different. Team works, presentations, applying mind in exams (remember Marketing and MO papers).

Emphasis is on learning through critical thinking not by rote.

The method here I enjoyed most is case studies. It gives a person a chance to think, to analyze the problem and suggest its own solution to problem.

In this article I am tracing the roots of “case study” as a method in MBA education.

Panchatantra in India is the first known collection of short tales used as case studies for teaching the art and science of governance, administration, warfare, diplomacy and public welfare. The five chapters teach lessons of overarching

vision conducting strategic negotiations and achieving objectives.

The use of case study in management education has become universal and ubiquitous. It is taken for granted in most of the B-schools. MBA education is different from engineering solutions where there is only one right way of doing things. Here solutions are complex and often diversified i.e. much depends upon the person making decisions. MBA programs highly aim at following objectives

1. Strategic thinking
2. ability to work in team
3. excellent communication skills
4. creativity
5. wholesome view

Here where the case studies make a difference unlike other systems where a “Guru” comes and distributes all his gyan here emphasis is on “Learning by critical thinking” not on “ Learning by rote”

This critical thinking helps us to form an element of foresight. In management it is all about identifying the opportunity or predicting it and acting at the right time. This can only be possible if the knowledge gained is applied in proper manner Management is all about implementation and action. A manager may possess all the knowledge about latest theoretical developments on SQC & six sigma methods but crucial difference lies on its effective

**“ let no man ever contemplate an act ill conceived, ill considered and ill done without proper strutting. Inspect a matter with utmost care before reaching conclusions and rushing into actions, else bitter remorse is let loose”**

implementation for firms. It's the thin line between competitiveness & bankruptcy.

Managers are supposed to provide all these inputs leading to the betterment of the organization as a whole. These attributes are not “gyan” but the experience which one gets by making his hands dirty. Management is much like swimming or cycling. Loads of theoretical knowledge but, u are down.

It is only the experience which allows to master these skills. The case method allows the students to create mental structures and frame works of particular situation and feeling of the context under which decisions are to be taken.

These cases tend to create virtual

environment and problems which student managers might face in future. The heated debates, ideas, strategy making is only taking us one step closer to our future roles.

In the end I would like to end with following prose from “Panchtantra”

“ let no man ever contemplate an act ill conceived, ill considered and ill done without proper strutting. Inspect a matter with utmost care before reaching conclusions and rushing into actions, else bitter remorse is let loose”.

No two situations are similar neither solutions.

Case studies arm the person with knowledge which has to be used as per situation and ability of managers.

## Jokes

An English professor wrote up on the board “woman without her man is nothing” and told his students to punctuate it.

The males in the class wrote “Woman, without her man, is nothing.”

The females wrote “Woman! Without her, man is nothing

### Auction

One day a man went to an auction. While there, he bid on a parrot. He really wanted this bird, so he got caught up in the bidding. He kept on bidding, but kept getting outbid, so he bid higher and higher and higher. Finally, after he bid way more than he intended, he won the bid - the

parrot was his at last!

As he was paying for the parrot, he said to the Auctioneer, “I sure hope this parrot can talk. I would hate to have paid this much for it, only to find out that he can't talk!”

“Don't worry.” said the Auctioneer, “He can talk. Who do you think kept bidding against you?”

### Good Sight

Patient: “Doctor, every time I look in the mirror, I get sick!”

Doctor: “At least your eyesight is good.”

— Compiled by  
SWARAJ PAL SEHGAL  
P G D B M I

# The Psychology of Self

VIKAS BHARGAV  
PGDBM Ist Yr., B

**The basic flaw in viewing ourselves is our extinction from attaining the serenity of mind and rather wandering in the premises of approaches of different personalities**

*I couldn't wait for the success,  
So I went ahead without it*

Jonthan Winters

That's the spirit with which we should move ahead in life.

No, it doesn't mean adopting a laxity in our attitude towards success or more specifically towards our own strengths or in particular towards our very own being.

It's rather a way of looking up to self with a view so as to trusting ourselves and enhancing our esteem towards ourselves. The basic flaw in viewing ourselves is our extinction from attaining the serenity of mind and rather wandering in the premises of approaches of different personalities.

Where there are humans, views will differ and must differ so as to maintain the eagerness to learn and develop ourselves. But the most important point: what the self esteem is. Some see it as a psychodynamic, developmental process; others have approached it from the perspective of the cognitive-behaviorist in terms of various coping strategies; others have viewed it from the position of a social psychologist in terms of attitudes, while others have focused on the experiential dimensions of self-esteem as a humanistic psychologist.

But now the question arise whether these approaches are fit for every

individual or everyone has to have his own attitude of viewing himself.

And with a bit of thinking the answer comes that all these approaches can't be applicable to all persons all the time without a single hurdle.

Then what's the answer to this question?

Well it all lies within us: the moment we start trusting ourselves, we start believing ourselves, the moment we start paying attention to self esteem, it inculcates in us a belief that we can do our task if we really try from our heart and it is this belief that prevents us from letting ourselves fall prey to those negative thought processes that suck the very force from us which provide us the momentum to excel in achieving our desired goal.

Not comparing ourselves to others but focusing on our own strengths and motivating oneself so as to enhance them and last but not the least relying on them can provide us base to fall back upon in adverse times and to and confront the challenge with a belief in ourselves which definitely will result in our success. As they say

*Life is too short to be little.*

# Making A Dream Come True Every 26 Seconds

A visit to Maruti Udyog Limited, Gurgaon.

VIBHUTI RAMAN DAS  
PGDBM Ist Yr, A

**Over 50,000 suggestions are received from employees every year. It is compulsory for every employee to give at least 15 suggestions every year. Maruti has achieved the First Place in “Excellence in Suggestion Scheme Contest 2003.”**

Maruti Udyog Limited produced its first car Maruti 800 on 14<sup>th</sup> December 1983. It was established as a Government Company in February 1981. Maruti collaborated with Suzuki of Japan and produced affordable cars for the Indians.

The learnings from the industrial visit:

1. **Kaizen Theory**: Maruti Udyog believes in the Kaizen which is based on the concept of making incremental improvements in their products manufactured. It incorporates a series of continuous small and simple improvements, which aim at involving employees at all levels.
2. **Suggestion Scheme**: Under this scheme, employees are encouraged to make suggestions for improvement in any area of operation. Over 50,000 suggestions are received from employees every year. It is compulsory for every employee to give at least 15 suggestions every year. Maruti has achieved the First Place in “Excellence in Suggestion Scheme Contest 2003.”
3. **Maruti Culture**: Their employees are their greatest strength and asset. It is this underlying philosophy that has moulded their workforce into a team with common goals and objectives.
4. **Process**: It is divided into eight broad heads:
  - **Blanking**: In this process, steel coils are cut into blanks of various shapes and sizes.
  - **Pressing**: Blanks are pressed into various panels by presses.
  - **Welding**: Pressed panels are welded together to form bold shells.
  - **Painting**: After the welding process, painting and finish coating on the panels is done.
  - **Machining**: Various raw materials for engine components are machined using automatic machining centers.
  - **Engine Assembly**: The machine parts and various components of engine are assembled to make engines.
  - **Assembly**: Various components are assembled in the painted body to make complete vehicle.
  - **Inspection**: Assembled vehicles are tested for their functionality.
5. **Constant Reminders**: They focus on producing “Best Quality in First Attempt”. This reminder is placed in all the departments and sub-sections of the company which gives the workers inspiration and motivation to work effectively and efficiently all the time.
6. **After Sale Service**: To retain the present customers, they provide excellent after sale service. The parts of Maruti Models are always available at reasonable rates. It has 216 vendors spread all over India, therefore, its customers do not have to go far off to obtain the parts they need.
7. **Labour Turnover**: Another remarkable feature of Maruti is that it has very low or nil absenteeism

amongst the employees. They are also given good incentives for their work and if they take more than two unofficial leave, then the incentive is zero.

8. Major Players: The major competitors are Bajaj Auto, Daewoo Motors, DC Design, Eicher Motors, Ford General Motors, Hero Motors, Hindustan Motors, Hyundai Ind. Auto Ltd.,

Kinetic Engineering, LML, Mahindra, Royal Enfield, Telco, TVS, Swaraj Mazda, Volvo.

9. Models produced at Maruti Udyog Ltd.: Maruti 800, Alto, Wagon R, Zen, Swift, Omni, Gypsy, Versa, Esteem and Baleno.

On the whole, it was a very rich experience. The students had an interactive session with the HR Manager and all their doubts were clarified.

## Words of Wisdom

### ETHICS

*About morals, I know only that what is moral is what you feel good after and what is immoral is what you feel bad after.*

-Ernst Hemingway

*There is no such thing as business ethics. There is only one kind-you have to adhere to the highest standards.*

-Marvin Bower, Former managing Partner of McKinsey & Co.

*Relativity applies to physics, not ethics.*

- Albert Einstein, German born American physicist

*If ethics are poor at the top, that behavior is copied down through the organization.*

-Robert Noyce, Inventor of Silicon chip

### RISK

*Take the first step in faith. You don't have to see the whole staircase, just take the first step.*

-Martin Luther King Jr.

*A wrong decision isn't forever; it can always be reversed. The losses from a delayed decision are forever; they can*

*never be retrieved.*

-J.K.Galbriath, American Economist

*Uncertainty is nor a result of ignorance or the partiality of human knowledge, but is a character of the world itself.*

-M.Taylor

### STRATEGY

*However beautiful the strategy, you should occasionally look at the results.*

-Sir Winston Churchill

*The best way to predict the future is to create it.*

-Peter F.Drucker, American Management Guru

### LEADERSHIP

*Leadership is doing what is right even when no one is watching.*

-George Van Valkenburg

*Life is like a dogsled team. If you aren't the lead dog, the scenery never changes*

-Lewis Grizzard.

By Astha Arora

# Yamaha Motors India Pvt. Ltd.

Industrial Visit on 5<sup>th</sup> Sep 2005

SWATI MAHAJAN  
PGDBM Ist Yr., B

**We saw different sections in the assembly room the decal room, meter cowling, painted pasts for masking, parts after masking, dust repair, engine assembly shop, assembly of head lamps, fuel tank smoother. Each bike needs 39 seconds for assembling**

## Company Visited-YAMAHA MOTORS INDIA PVT. LTD

Parent name- YAMAHA MOTOR  
CO LTD.JAPAN

Functions- DEVELOPMENT,  
PURCHASE, SALE OF 2  
WHEELERS AND ITS PARTS  
AND ACCESSORIES

Market share- 4.1%

Employees- 1920

Number of dealers-410

Capacity-330000 MOTORCYCLES

Number of vendors-171

Production- 677 bikes in a day

Investment –135 crores

**W**e got the privilege to visit Yamaha motors, Surajpur. This unit is 35 kms from our college. The unit was established in 1985 in an area of 3269.920 sq.feet. We were given a warm welcome by the Yamaha staff members. We were shown slides and there was an interactive question answer around. We got a chance to talk to Mr. Deepak Narang –manufacturing head. The major models of bikes of this company are RX-100, FAZER, LIBERO, and LIBERO LX.

IN 1960 Yamaha Motors had a joint venture with the Indian partners Escorts group, but in 2001 it became a 100% subsidiary of Yamaha motors co ltd. they have an export market. Exports include 25 –30% of their production. They export to 50 countries (Philippines, Sri Lanka, Argentina, Mexico, Nigeria,

ivory coast and many others.)The main models include enticer DLX, crux S, YBX, RX 135, enticer.fazer.liberoINT.

## THE YAMAHA MANUFACTURING UNIT HAS TWO HALLS

- 1) ASSEMBLYHALL-where various components are assembled to form a product followed by quality check.
- 2) MANUFACTURING HALL- manufacturing of frame by welding followed by fuel tank manufacturing and machine shop

We saw different sections in the assembly room the decal room, meter cowling, painted pasts for masking, parts after masking, dust repair, engine assembly shop, assembly of head lamps, fuel tank smoother. Each bike needs 39 seconds for assembling. We found out that in the whole process of assembling there was only 5% defect. They followed the Kaisen and the total quality management approach.

## Production improvement direction

- 1 Establish disciplined/ positive work culture
- 2 Education and training to rapidly build up capable work force

## System strengthening

Quality = ISO 9000

Certification

Safety, Health = ISO14000/18000

Establish parts supply-MRP fully developed

Their cost reduction activities include

Material cost down

**“ We will strive to achieve the customs delight by winning the trust of our customers.”**

**“ Our aim is to build in high quality in all areas related to customer relationship.”**

New vendor layout  
Std cost development  
CE and VA/VE

They have efficient shop operation

- Labour productivity improvement
- Reduce loss
- Energy saving planes
- Consumables-consumption to target

What must be developed by managers of their company-

- Teamwork-participation
- Common language
- Plan do check action
- Leadership and ownership

PROFITS are earned by-

Cost down  
Business stability  
High value added marketing

YAMAHA Strategy in 2005 are

- Achieve 2005 budget
- Complete problem solving
- Continuous improvement
- New products
- Organisation development

**THEY HAVE A CUSTOMER ORIENTED MANAGEMENT**

“ We will strive to achieve the customs delight by winning the trust of our customers.”

**High Quality Oriented Management**

“ Our aim is to build in high quality in all areas related to customer relationship.”

## Random Thoughts

1. The positive thinker sees the invisible, feels the intangible, and achieves the impossible.
2. **“When one door of happiness closes, another opens; but often we look so long at the closed door that we do not see the one which has opened for us. “ -**  
*Helen Keller*
3. **“Treat a person as he is and he remains as he is, treat the same person as he could be and he will become what he should be.”**
4. “Never fear shadows, it simply means that there is light shining somewhere nearby”
5. **“Do not set your goals by what other people deem important. Only you know what is best for you...”**
6. “I cried for boots until I saw a man who had no legs”
7. “There has never been a night that could defeat sunrise”
8. “Circle: A line that meets its other end without ending”
9. Cherish your yesterdays, dream your tomorrows, but live your today!
10. Happiness is a present attitude, not a future condition.
11. Tough times dont last, while tough people do.
12. Genius is the product of enthusiasm
13. We must always change, renew, rejuvenate ourselves, else we harden and weaken

# Welcome to the Coca-Cola Company

SWATI MAHAJAN  
PGDBM Ist Yr., B

**You do not need to be a bookworm to be a manager. Explore yourself. Rise above yourself. Let sky be your limit. He emphasized on the fact that if you dream big, you achieve big. Just do your very best and make a difference**

The HR Manager –Mr. Subroto Roy of Coca-Cola company, addressed us in the first week of August. The Coca-Cola Company exists to benefit and refresh everyone it touches. Founded in 1886, this company is the world's leading manufacturer, marketer, and distributor of nonalcoholic beverage concentrates and syrups, producing nearly 400 beverage brands. Its corporate headquarters are in Atlanta, with local operations in over 200 countries around the world.

Sir, told us amazing facts like:

1. If all the Coca-Cola ever produced were in 8 ounce bottles loaded on average-size route trucks passing a given point bumper-to-bumper at a speed of 65 miles per hour, it would take 5 years, 5 months and 2 days for all the trucks to pass.
2. If all the Coca-Cola ever produced were in traditional 8 ounce bottles and placed end-to-end, they would reach all the way to the moon and back 1,057 times over.
3. If all the Coca-Cola ever produced were in traditional 8 ounce bottles and placed side-by-side and end-to-end, to form a four-lane highway, it would wrap around the Earth 82 times.

His lecture emphasized on the practical aspect rather than the bookish knowledge.

According to him a successful manager is one with versatile personality. You do not need to be a bookworm to be a

manager. Explore yourself. Rise above yourself. Let sky be your limit. He emphasized on the fact that if you dream big, you achieve big. Just do your very best and make a difference. It helped me to have a positive attitude and believe in myself and most importantly on my strengths.

He gave us the four golden rules to become an effective and efficient manager

1. HUMILITY-to maintain a humble attitude.
2. LOW EGO-have low self-esteem. Self-praising is not recommended.
3. IRON WILL-we should not be affected by ups and downs. Be focussed in life. Never lose your focus.
4. READINESS TO TAKE THE BLAME FOR FAILURES

I hope to keep these rules in my mind and achieve success.

Do not lose track and just have the conviction to give your best.

He recommended us on reading the *HARVARD BUSINESS REVIEW*. It is a monthly magazine. The topics written in it are highly researched.. I got motivated and read some articles like human sigma, joy vs success. After reading this magazine I felt I have gained additional knowledge which I could not have learnt through books.

You should have an intrinsic knowledge of anything you do. You should go till the depth of the subject.



I learnt that research and development (R&D) is required in everything that you do.

We were shown an amazing project work (slides and clippings) done by a management trainee at Coca-cola company. That student had invented new means to advertise the coca-cola. He advertised the brand in such a way that it seemed that every home requires coca-cola and it was a necessity good.

From this I learned that thinking is important and education just supports it. Explore the world.

“visions of the future are better than dreams of the past”  
.....so now I have a vision and I see what I want to see.....

I am ready to take off my flight to success

**Needless to say, positive thinking and positive attitude is very Important for both management students and managers. So they need to pray on a regular basis.**

**Praying does not mean performing all kinds of religious rituals.**

## Importance of Prayer in Management

Prayer or “prarthana” is something associated with yogis, ascetics and old people. It is thought that prayer can be said and is said only by these categories of people. But it is not so. It is important for all classes of people, especially management students and managers.

Now you might ask – “Management students and managers are so busy people, how can they find time to pray and how is it beneficial for them”? To answer this question it is necessary to understand the concept of prayer. If we analyze any religion on this earth, we’ll find that prayer in any religion is saying or chanting positive things about the supreme power. Reciting positive things about the supreme power fills our minds with positivity and if done on a regular basis, this positivity is deeply rooted in our mind (subconscious mind) and then we

tend to be more energetic and optimistic in our views.

Needless to say, positive thinking and positive attitude is very Important for both management students and managers. So they need to pray on a regular basis.

Praying does not mean performing all kinds of religious rituals. If you are busy, just remember a supreme power is behind you and try to concentrate just for 4-5 minutes.

Praying and meditating not only change your attitude towards life but also increases your memory-also very important for management people.

So friends pray everyday for yourself and a bit for me too.

Stuti Verma  
PGDBM Ist Yr.  
Section B

# Impact of Liberalization on Indian Capital Market

NITIN SHARMA  
PARAG JAIN  
JAGMOHAN BATISH  
RITU JAIN  
PGDBM IIInd Yr.

**The primary and secondary segments of the capital market expanded rapidly**

**However, many problems, including lack of confidence in stock investments, institutional overlaps, and other governance issues, remain obstacles to the improvement of Indian capital market efficiency**

## **Introduction:**

The change in India since the market liberalization of 1991 has been extraordinary. The abolition of the government-controlled “Raj” industrial licensing scheme, the reduction of import tariffs, and the initial opening of the country to foreign direct investment set the stage for India’s emergence from its economic shell. As positive as these changes were, however, it is future possibilities that have potential investors in the country breathless with anticipation.

## **Capital Markets in India**

History of capital markets in India can be traced back to 1875 when Bombay Stock Exchange was established. Today India has 23 stock exchanges including two national exchanges, BSE (Bombay Stock Exchange) and NSE (National Stock Exchange). The Indian capital market has experienced a process of structural transformation with operations conducted to standards equivalent to those in the developed markets. It was opened up for investment by foreign institutional investors (FIIs) in 1992 and Indian companies were allowed to raise resources abroad through Global Depository Receipts (GDRs) and Foreign Currency Convertible Bonds (FCCBs). The primary and secondary segments of the capital market expanded rapidly, with greater institutionalization and wider participation of individual

investors accompanying this growth. However, many problems, including lack of confidence in stock investments, institutional overlaps, and other governance issues, remain obstacles to the improvement of Indian capital market efficiency.

The Indian capital markets have witnessed a transformation over the last decade. India is now placed among the mature markets of the world. Key progressive initiatives in recent years include:

- \* The depository and share dematerialization systems that have enhanced the efficiency of the transaction cycle
- \* Replacing the flexible, but often exploited, forward trading mechanism with rolling settlement, to bring about transparency.
- \* The infotech-driven National Stock Exchange (NSE) with a national presence (for the benefit of investors across locations) and other initiatives to enhance the quality of financial disclosures.
- \* Corporatisation of stock exchanges.
- \* The Securities and Exchange Board of India (SEBI) has effectively been functioning as an independent regulator with statutory powers. The Mumbai Stock Exchange continues to be the premier exchange in the country with about 6,000 listed companies and an average daily volume of about a billion dollars. Many new

**The growing spending appetite of consumers is one of the major catalysts behind most of the factors working in favor of the current Bull Run. The rise on the consumer spending is directly affecting the sales and profit performances of the business houses, while contributing positively to the overall macroeconomic scenario**

instruments have been introduced in the markets, including index futures, index options, derivatives and options and futures in select stocks.

#### **Role of FIIs:**

Foreign companies/Individuals are permitted to invest in equity shares traded in Indian Stock markets if they are registered as a Foreign Institutional Investor (FII) or if they have a sub account in India.

Investment in Indian securities is also possible through the purchase of Global Depository Receipts (GDR), American Depository Receipts (ADR), Foreign Currency Convertible Bonds and Foreign Currency Bonds issued by Indian issuers, which are listed, traded and settled overseas and mainly denominated in US dollars.

Things like India's strong GDP growth, its companies that show global standards, the long-term outlook on the dollar and interest rates in the US. Out of all these there is one big advantage, which India has but other developing nations lack is world-class financial system. Indian capital markets are technologically comparable to any advanced market. It has a strong banking system, which caters to our markets and have all the modern financial instruments like derivatives, commodity derivatives, stable forex market etc.

Today India is one of the favorite destinations for FIIs world over. Following table shows investment by FIIs in Indian capital market in last few years

Some features that specifically attract FIIs are :

#### **Indian Capital Markets: Features Important for FIIs**

- T + 1 settlement mechanism
- Centralized listing authority
- Simultaneous dual listings
- Permission to de-list

#### **Mutual Funds:**

The surge in foreign money inflow is boosting further the confidence in the Indian growth story, from both within and outside the country. The FIIs are finding good company in domestic Mutual funds (MFs) in terms of inflow in to Indian equity market.

The MFs have outperformed the FIIs to some extent during the latest rally. The increased MF inflow in the recent past has been supported by a lot of money raised through IPO finding its way to the market.

#### **Analysis of current Bull-Run**

Unlike the previous rallies in the past when foreign investors played key role, the current rally is broader based across the sectors and is being participated by all market sections, including FIIs, domestic mutual funds and retail investors as well. The growing spending appetite of consumers is one of the major catalysts behind most of the factors working in favor of the current Bull Run. The rise on the consumer spending is directly affecting the sales and profit performances of the business houses, while contributing positively to the overall macroeconomic scenario. These factors in turn add to the positive business sentiments while attracting funds into the market.

The rising *purchasing power, higher disposable incomes and improving consumer sentiments* are leading the consumers eyeing high end products like Plasma TV, Luxury cars, foreign

**Buoyant corporate earnings results have been one of the major drivers of current rally in stock market. The market is being driven by high business confidence, foreign money, copious domestic liquidity, return of small investors and optimistic earnings forecast for current quarter.**

holidays. The picture is set to get even rosier going forward. A number of sectors, including auto, bank, cement, construction, FMCG and technology are poised for a robust uptrend in the near future.

Another major factor in current Bull Run is the *growing interest in equities* as a major investment destination. The *low interest rates* are resulting in lower returns on investment in other traditional instruments including post-office small savings and term deposits in banks and Mutual funds. Consequently investors are perking up their funds in equity as alternative destination.

### **Stability of SENSEX**

The P/E ratio remains at comfortable low levels (around 16) after peaking as much as 60 in early 1990's. While defying the misconception that the markets are overvalued, the fall in P/E ratio also proves that investors have gone conservative and not willing to pay higher price for stocks.

Economic Growth and Corporate Profits:

Buoyant corporate earnings results have been one of the major drivers of current rally in stock market. The market is being driven by high business confidence, foreign money, copious domestic liquidity, return of small investors and optimistic earnings forecast for current quarter.

### **Conclusion**

Equity and corporate-debt markets open new sources of funding for businesses, cut their cost of capital, give savers new investment options, and are essential to financing pension programs. India's stock market already performs well. Now it must diffuse the success of certain companies, such as those in IT

and business process outsourcing, throughout the economy. Pension reform will be important. Non-government provident funds (employee pension funds) have been allowed to invest 5 percent of their new inflows in shares and 10 percent in equity-linked mutual funds. Over the next few years, this will funnel an additional 200 billion rupees (\$4.6 billion) into the stock market.

To spur its growth, policy makers must improve liquidity and price transparency. The required steps include consolidating government debt issues to establish a better yield curve and improve liquidity, widening the government securities market to include nonblank participants, and letting dealers short-sell and thus take two-way positions. It will also be necessary to change the pricing of interest rate futures and to let banks trade them, to allow repurchase-agreement transactions in corporate bonds, and to develop the derivatives market. These reforms will allow India's capital markets to evolve in more balanced way. After the analysis it is clear that current Bull-Run in the capital market is based on sound fundamentals and is supported with regulatory policies. Indian Corporate sector is poised for tremendous growth that is not concentrated in a particular sector.

*Given the context Indian capital markets are poised for explosive growth in future.*

#### **3 fastest modes of communication**

1. telephone
2. television
3. tell-a-woman .....