



CARE BUSINESS REVIEW

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NEWS IN BRIEF

Atul Auto, the Gujarat based three wheeler manufacturer plans to enter the commercial vehicles segment. (The Hindu, 17.07.2011)

Brittania has introduced a new product Vita Marie Honey Oats Biscuits in the health segment. (The Hindu, 17.07.2011)

Record foodgrains output has been reported in 2010-11, with an output of 241. 56 m. tonnes, with wheat and pulses touching an all time high. (The Hindu, 20.07.2011)

Daimler AG has announced the launch of its financial services arm, Daimler Financial Services India (P) Ltd, headquartered in Chennai. (The Hindu, 20.07.2011)

European, U.S. Debt fears worries investors. Gold soars to \$1600 an ounce, Rs.23,000 per 10 grams. (The Hindu, 19.07.2011)

BHEL: Centre to offload, 5% stake in BHEL through the Follow on Public Offer (FPO), which will fetch over Rs.4700cr. 17 Merchant Banks have been shortlisted. (The Hindu)

Fujitsu ties up with Siemens, to provide customers with a one-stop shop for their I.T. and communication needs. (The Hindu, 14.07.2011)

Jain Irrigation: IFC, a member of the World Bank group, is helping Jain Irrigation System, in India to set up a sustainable Agro Commercial Finance Ltd, a non-banking company, to provide loans to small farmers to help them install micro-irrigation systems. IFC will invest \$2.7m. (The Hindu, 08.07.2011)

Promoters' Borrowings: Promoters of 125 companies have pledged over 75% of their holdings. Promoters, who have pledged 100% of their stakes in financial institutions, include King Fisher Airlines, Tata Coffee, Tuticorin Alkali and Chemicals. Other major companies are United Spirits, Wockhardt, Sakthi Sugars, Dunlop India, and Essar Oil. (K.S. Badri Narayanan in Business Line, 12.07.2011, p.1)

Mandarin Lessons: Indian Traders are taking Mandarin lessons, to improve their China Business. Trade between the two countries has gone up by 43%, in 2010. (ET, 21.07.2011, p.1)

Plasma T.V.s is losing the market as consumers are going for high priced LED and LCD T.V.s (ET, 11.07.2011, p.4)

“The illiterates of this century are not those who cannot read and write, but those who cannot learn, unlearn and relearn” – Alvin Toffler.

Interesting News and Facts: (Contributed by Mr. K.Seeralan, SBI, Trichy)

Bloomberg Survey: According to the Bloomberg Economic Momentum Index for Developing Asia, China ranks first among 22 emerging Asian economies, likely to maintain steady and rapid economic progress, over the next years. China scored 76%, in a ranking of 16 areas, including economic competition, education level, high technology etc. In the past 30 years, Chinese economy has expanded on an average of 10% a year. India with GDP of \$1 trillion ranks second.

Bharathiya Reserve Bank Note Mudran P. Ltd, a Public Ltd Co, was established by RBI as its wholly owned subsidiary on 03.02.1995, with a view to boost the production of bank notes, to enable the RBI to bridge the gap between Supply and Demand. It has two presses in Mysore and Salboni and the present capacity for both the presses is 30 billion note pieces per year.

World Gold Council: According to World Gold Council, India imported 963.1 tonnes of Gold, from January to December, 2010 as against 578.5 tonnes, over the previous years, which is a 90% growth increase. The report says that even during times of recession gold prices increased at an average rate of 19.30% in 2009 and 12.5% in 2010. In 2010, globally India topped, the import chart of Jewellery gold, with 745.7 tonnes which is ahead of China (428 tonnes).

Mobile Tariff: When the first mobile call was made in 1995, the per minute rate was Rs.16 for both incoming and outgoing calls.

Sensex: The index of 30 companies of Mumbai Stock Exchange was started on 01.01.1986. Presently the base year of the Sensex is 1978-79. On 25.07.1990, the Sensex crossed 1001 points, 5000 points on 11.10.1999, 10,000 points on 07.02.2006, 15,000 points on 06.07.2007, 20,000 points on 29.10.2007, and it hit the all time high of 21078 points on 08.01.2008.

Coal Reserves: India has 10% of the world's coal reserves, the biggest after U.S., Russia and China. The Kolkata based Coal India is the world's largest coal producer. Coal India a Navaratna status company accounts for nearly 80% of India's coal output. In Nov, 2010, the Indian Government raised \$3.4 billion, from a 10% sale of equity, which is the country's largest ever IPO in the equity market.

Banking System: The assets of the Indian Banking System grew from \$250 billion to \$1.3trillion, for the period of 10 years (2001-10) as on 30th Sep 2010. In terms of number of branches in India, Public Sector Banks had 61,301 branches, Private sector-10,387 branches, 34 foreign banks had 310 branches and 45 Representative Offices.

“Thoughts mixed with definiteness of purpose, persistence and burning desires are powerful things”.

“Spoken words, Time passed and opportunities in life are the things that can never be recaptured”.

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HRD Window: Leadership and Uncertainty

"Leadership and learning are indispensable to each other." - John F. Kennedy (1917-1963)

(From the speech prepared for delivery in Dallas on the day of his assassination, Nov. 22, 1963)

An effective leader replaces uncertainty, fear and doubt with purpose, courage and trust. Purpose provides clear direction in the face of uncertainty. It is the energetic "magnet" that pulls people together and points them in a similar direction. Courage provides strength and commitment in the face of fear. Trust in one's self and one's purpose overcomes doubt.

Leaders sometimes find themselves painfully lacking in knowledge and skill, perhaps even paralyzed with guilt, anxiety, sadness or rage and unable to devise a strategy and set of behaviors that will work in these complicated times.

The job of the leader is to get results. A leader must carve the problems into manageable tasks that can be clearly articulated and measured, and then maintain a relentless focus on achieving results through the implementation process.

In order to do so, great leaders inspire and motivate by holding up a guiding vision with passion; they model integrity, create trust, and boldly take risks with enduring optimism and faith.

Here are the basic leadership styles from the Harvard Business Review article of Goleman (March 2000):

- Coercive: demands immediate compliance.
- Authoritative: mobilizes people toward a vision
- Affinitive: creates harmony and builds emotional bonds
- Democratic: forges consensus through participation
- Pacesetter: sets high standards for performance
- Coaching: develops people for the future

Most of the research agrees:

- Leaders are made, not born, and made more by themselves than by any external means.
- No leader sets out to be a leader per se, but rather to express herself or himself freely and fully.
- Leaders are all life-long learners and have taken charge of their learning. They are all concerned with a guiding purpose, an overarching vision.

We fear possible failure or loss, the humiliation it can bring, and the frustration we experience when seeming incompetent.

Resistance to uncertainty is mostly emotional - usually fear and anger. We think up rationalizations - intellectual strategies to minimize the uncertainty and anxiety. Leaders, because of their future-facing role, regularly face uncertainty.

The one thing we can count on in life is that things will change. When change is the result of external forces or actions, and lasts a while, our inclination is to fear the uncertainty of the change.

Uncertainty is a time when the future is unclear. It is an in between time that may feel chaotic and frightening. As a leader, gracefully handling uncertainty goes a long way toward engendering feelings of trust, respect and loyalty from the people you lead.

[Here are proven leadership tips for uncertain times:](#) · Deal with uncertainty directly. Don't pretend that ignoring uncertainty will make it go away; this just makes the uncertainty harder on you.

- Talk about it. Sharing your experience with your team can bring them relief and afford you new insights.

- See the uncertainty as an opportunity rather than a threat. Chaos is the forerunner of order, and the vision that you nurture and pursue will help to shape the order that arises.

- A clearly defined vision of the end result enables all the people to define the most efficient path for accomplishing the results.

- Treat your team as adults.

- If you want cooperation, share information. The more input people have into defining the changes that will affect their work, the more they will take ownership for the results.

- "Truth" is more important during periods of change and uncertainty than "good news."

- During uncertainty, you will earn and keep trust as you demonstrate consistent behaviour and clearly defined values.

- Manage stress. Because uncertainty is stressful, it's important to have positive ways of minimizing stress.

- Take care of yourself. Your ability to deal with uncertainty will be better if you are eating healthy food, exercising and taking time out for your favorite activities.

[\(Dr.S.Ramanathan's article in Trinity Mirror\)](#)

[Curiosity Corner: What Constitutes a Flame or Fire?](#)

Fire is the rapid but persistent chemical reaction in the presence of heat. It is the sequence of heat evolving reactions, between the fuel and the oxidant. Flame is the visible manifestation of fire. The colour of the flame depends upon the material undergoing the reaction and the temperature. Phosphorous, Sulphur, Wax etc burn with a flame. Iron burning in oxygen, gives no perceptible flame.

(The Hindu, 07.07.2011, p.15)

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