



irm Interface

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Editorial

How To Increase Your Happiness Quotient?

A man can distinguish between good and bad—at least I think he does. This is because of his power of thinking. When in trouble, he can find his way out and/or get relief. Life without sorrow and suffering is a life of happiness. Everyone is in search of such a life. . But in their quest for happiness, people are attracted towards material gains. They may attain riches, power and position. But are they satisfied? Usually not. They want more and more of their acquisitions. The hunger for possessions is continuous and interminable. This causes restiveness, edginess and agitation which are the ingredients of unhappiness. What then is that eternal thing which can give everlasting happiness? There is no simple answer to this. Philosophers have deliberated on this matter without any unanimity. I also cannot prescribe a miraculous medicine, infusion of which will perpetuate contentment and bliss. However, I can give some tips which are common-sense, down-to-earth and simple. They will not magically transform your life from one of sadness and sorrow to that of delight and ecstasy.

Be grateful: In an interesting study in the Stanford University, California, participants were asked to write letters of gratitude to people who had helped them in some way or the other in the past. People reported increase in happiness, not for a day or two but for months, after having expressed their feelings of gratefulness. What was even more surprising: Sending the letters was not necessary; even when the letters were not delivered, they still reported feeling better.

Optimistic thinking: See the glass half-full, and not half-empty. Study participants were exhorted to visualize and write down in a diary a bright future—for example, living with a loving & supportive partner, or finding a placement which was fulfilling their cherished dream. Reading it daily as the first thing in the morning for a week enhanced their feeling of well-being.

Be here and now: Many people are stuck in either the past of the future; recalling unpleasant memories or imagining horrid things happening in the future. Remember that past

President's Message

Seven Deadly Sins Of Managers

Since time immemorial, Seven Deadly Sins have been described to educate and instruct people concerning humanity's tendency to make such mistakes that are no less than sins. I have borrowed this catchy and captivating phrase to highlight the seven serious mistakes, nay blunders, committed by some managers in their day-to-day dealings. These are culled from my reading of management literature (articles, excerpts, quotes, citations, tid-bits) as well as my own observations and experience.

- 1. Complacency:** Having worked as a manager for quite some time, you may become smug and self-satisfied. So you do not look for better ways to do things. Complacency raises its ugly head just when one feels rosier about the quality of one's work. This does not mean that you should not have a feeling of self-satisfaction about the tasks accomplished. However, it should not prevent you from exploring superior avenues to achieve greater success.
- 2. Fear of failure:** A manager does not want to experiment with a new design or a new approach to the solution of a problem because he is mortally afraid of failure. He wants to lead a risk-free safe life. It is an old saying that "the safest place for a ship is to stay put in the harbor but then it accomplishes nothing". Remember what Ambani preached and practiced: "No risk, no gain".
- 3. Orders from higher management:** You tend to tell your peers and team in the company, "While I agree with you but the President will not let me change the policy." You should never blame the high-ups for not implementing a seemingly good proposal. It is your responsibility to iron out any differences with the higher management, rather than pointing an accusing finger towards your superiors.
- 4. Recognition of "Customer as a King" only in theory:** Almost all organizations and companies profess that "customer is the king" but few act as though they mean it. Researchers tell us that majority of customers who feel that their complaints were not properly addressed tell many others by word of mouth. It is also proved that when a



is history and future is mystery, while the present is a gift—that is why it is called a Present. By being here and now, you will be more aware of what is going on, and you will be much happier as you return your awareness to your psyche and body.

Value your relationships: Try to imagine that you have reached the end of your life and you have only 24 hours to live. “A morbid thought!” you will exclaim and “anti-happy”—if I may coin this term. But there is a good reason why I ask you for this visualization. I want you to think about what would be most important to you at that point in time. Is it wealth? Is it power and pelf? Is it empire-building? Or is it people around you and the relationships that you made and unmade? In a survey of terminally ill patients carried out in a hospice, it was shown that most of the people's thought were focused on the relationships. And more time they spent on focusing on pleasant relationships that they had built over the years, more solace and comfort they felt. Likewise, when you are pulsating with life, making and retaining good relationships with your family and friends will give you much happiness.

There are many other tips that have been given by our Rishi-Munies, in fact by sages of all countries, to pursue happiness. They vary in their emphasis, core and hub in respect of what is required to be done and undone to attain happiness. But one facet unanimously agreed upon is that happiness quotient is not increased by more wealth, power, influence and other material goods. In fact, as a great Indian philosopher said: “To be without some of the things that you want is an indispensable part of happiness”. Lastly, I must emphasize that while tips and tools are conducive to happiness, but they are not the end-all. Ultimately, it is you who would decide what to do that impacts your life and enhances your happiness quotient.

B. R. Madan

GREEN TIPS

1. A Computer is one of those gadgets in your home that consumes a lot of electricity. Even an energy-efficient model uses a lot of juice. To cut back, use the added features that your smartphone can provide. Set up your email on your phone, allowing it to sync with your mail server. You'll save energy from not using your computer and still stay on top of important emails. Likewise, use your smartphone for browsing or shopping.
2. Try switching notepad styles. It is easier to write on the back of pages with a spiral notebook than it is with a legal notepad. This allows you to write more per given sheet of paper and thus conserve paper.
3. Many idle electronics—TVs, DVD players, stereos, microwaves—use energy even when switched off to keep display clocks lit and remote controls working. Switch off power strips and unplug electrical devices when you're not using them.

customer's complaint is attended to even partially, he invariably returns to do business with the company.

5. What is preached is not practiced: There are numerous occasions when the manager does not do what he tells others to do. He wants everyone to be punctiliously punctual. But he himself fails to observe time on many occasions. This irks the staff and they lose faith in the credibility of the manager. He asks for transparency, honesty and integrity. But he is often found indulging in dubious deals, and doing undue favours to some chosen employees.

6. Poor listener: We all enjoy talking about ourselves and often we err by talking too much and listening too little. For a manager it is a Himalayan mistake to be a poor listener. He may become blind and deaf to the valuable ideas of his staff members. The latter feel alienated because it is the 'all-knowing manager' who takes the centre stage. The team members soon learn that “it is pointless to speak to the boss” and then they take refuge in passive behavior and refrain from contributing anything original.

7. Infallibility: After working as a successful manager, some persons may begin to have the “God-complex”. They believe that they are most knowledgeable, best-conversant with the nitty-gritty of administration, and can do no wrong. They use abrasive language when they find fault in the working of any employee. They seem to take a sadistic pleasure in humiliating their staff. This lowers the morale of your workers which is obviously detrimental to quality output.

My exhortation to you is to avoid committing these sins, and you will be a happy and successful manager who will win laurels for his organization.

Barbara Cangan

THE WORLD IS YOUR OYSTER

“The whole world is yours for the taking”
Captioned phrase conveys this meaning.
Think of the glorious future, not the failed past,
As we all know, time is running pretty fast.
Instead of becoming a part of the crowd,
Stand apart and explore your own ideas aloud.
This will keep your spirits high,
And keep your zeal and zest alive.
Chances are many but opportunities are few,
Just like the garden leaves covered with dew.
Survival of the fittest is the order of the day,
So while the sun shines, make all the hay.
Remember! The world is your oyster,
If you are your mind's own master.

Dipika Gajraj

PGDM- XXIV Batch



CONVOCATION - 2012

Convocation is the most important celebration of FMS - IIRM. It is here that all come together and recognize in a very public way the achievements of our MBA students with their families and friends. This day also marks the admission of our students to the family of manager world-wide. Convocation 2012 was organized on 4th Jan 2012 at IIRM campus, Mansarovar, Jaipur. Hon'ble Prof. B.S Rajpurohit, Vice- Chancellor J.N.V. University was the Chief Guest of the occasion. He in his convocation address motivated the students for taking challenges for rural developments work. Dr. D.S.



Kheechee, Member Syndicate JNV University, Jodhpur enlightened the students with his words of wisdom. The diploma award ceremony consisted

of award of Diploma to 176 students of IRM, Jaipur and 54 students of IRM, Jodhpur.

Ms. Monica Kalra and Ms. Priyanka Agarwal of PGDM-BM, Jaipur received a Gold Medal and a silver medal for their performance during the session 2009-11. Ms.V. Kritika of PGDM-RM, Jaipur and Ms. Kumari Swati of Jodhpur received silver medal for their academic excellence. Proceedings of convocation for opening and closing were declared by Prof. Barbara Cangan, President, and SIIRM.

MILAP - 2012

MILAP – 2012, the annual Alumni Meet (Institute of Rural Management Alumni Association, IRMAA) was organized at IRM campus on 4th and 7th Jan 2012 to rekindle the relationship of the alumni members with their Alma-mater. It was a great opportunity for the IRM alumni members to meet old buddies, industry champions, faculty members and their juniors.

This Milap function started with the traditional welcome of tilak and flowers to the alumni members. The alumni speak session struck an emotional chord with the audience especially with the juniors who were ready to be placed in the corporate sector. The colourful cultural evening with classical solo dance hip-hop dance, folk dance filled the environment with joy and energy.

The next agenda was the election of the office bearers. The alumni zestfully participated in the elections held on 7th Jan. 2012. Mr. Mayank Bharadwaj was elected as the President; Mr. Arvind Jain, Vice President; Mr. Virendra



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Singh, General Secretary; Mr. Ashutosh Sinha, Secretary & Mr. Dinesh Choudhary, Treasurer. The event concluded with a sumptuous dinner and a vibrant DJ. The Alumni were gifted with souvenirs as a token of love from its Alma-mater.

ADIÓS - 12

IRM celebrated ADIÓS – 12, the farewell function for the batch of 2011 on 30th March 2012, the farewell function for the graduating students. Bidding adieu to seniors was painful for the junior batch, yet they made best of their efforts to make this day very special for them. A collage was prepared for all the senior batch students which comprised of their photographs during their stay at the campus. Whole campus was decorated with colorful dupattas and balloons, staircase was red carpeted and colorful lights were arranged. The evening dazzled with the dance performances of the junior batch. Titles were allotted to all the senior students. Seniors appraised the efforts put in by their juniors and applauded for them. The evening came to an end with DJ & Dinner party. Student External Activity Participation They saw...they participated... and they won...



EXUBERANCE - 2012

GyanVihar University, Jaipur organized its annual fest on 3rd and 4th February 2012. Students of second semester and fourth semester of IRM Mridul Agarwal, Pallavi Dwvedi, Neha Sarada, Nidhi Singh, Arpit Ranjan, Manish Gupta, Nitin Bajaj, and Sourabh Das participated in the events organised by the Institute and secured 1st prize in Case study, B-Plan, Extempore, 2nd prize in B-quiz and 3rd prize in Antakshri. Well Done!

ABHYUDAYA - 2012

On 10th & 11th Feb 2012, Jaipuria Institute of Management organised an annual cultural fest. Students of FMS-IRM participated in various events like B-plan, Debate, B-Quiz, Brand extension and Ad-mad show and secured 1st position in all the above mentioned events. Congratulations!

GESTION - 2012

Department of Management Studies, Poornima group of colleges, Jaipur, organised a two day cultural event on 16th and 17th February 2012. Archit Chugh, Bhuvesh varshney, Shivani Saraswat, Aashish Verma, Himanshu Srivastava, AmitSethia, Manish Baghel, Ajay Agarwal, and Himanshu Pal of IRM participated in different events. They secured 1st position in B-plan and Debate. Whereas 2nd position in Solo singing, Stock market and

Ad-making competition.

Abhivyakti - 2012

The students of 2nd and fourth semester participated in the event Abhivyakti organized by IABM, Bikaner. A team of twelve students participated in the various events organized by the institute and secured 1st position in solo dance, 2nd position in B-quiz, and Case-study. Kudos!

Verve 2K12:

JNIT conducted its annual fest on 2nd and 3rd March 2012 at its campus in Jaipur. Shiv Jangid, Himanshu Srivastav, Pragati Bindal, Prafful Agarwal, Pravesh Nagar, Shubham Agarwal, Piyush Poddar and Shivani Sarswat of IRM participated in events like Showmanship, Debate, Case study, & Solo singing. They secured 1st position in Case study, Ad-mad and Showmanship while 2nd position in Debate. Well done!

E-Summit IIT Delhi

On 3rd and 4th March 2012, IIT organized an E-Summit in Delhi. Top 30 start-ups were selected throughout the nation to discuss their B-plan with the top-notch venture capitalists. Janardhan Prasad Tiwari and Vainav Sharma, students of second semester of the institute were one among the 30 presenters to share their B-plan in the summit.



Mr. Montek Singh Ahluwalia, Deputy Chairman of Planning Commission and Mr. Pawan Agarwal, CEO of Mumbai Dabbawala were the Chief guest and Guest of honor of the Summit. "It was a great learning exposure to present B-plan in front of such renowned personas" said Janardhan. "I was thrilled to have amongst us Mr. Ahluwalia and Dr. Agarwal, thanks to the Institute for providing me such opportunity" said Vianav Sharma.

Mosaic

International School of Information and Management (ISIM), Jaipur arranged three day cultural fest on 12th, 13th and 14th March 2012. Six students of second and fourth semester of IRM formed up a team to participate in the events organized by ISIM. Students of the Institute won 1st prize in Case study, while 2nd prize in Ad-mad, Marketing presentation and Solo song. Nice one!

Aagaz - 2012

Apex Institute of Management invited IRM to participate in the annual cultural fest held at their campus in Jaipur on 17th and 18th March 2012. A team of twelve students were formed to participate in the various events conducted by the organizers. Students secured 1st Prize in logo making, case study, B-plan and poster making and secured 2nd position in Rangoli making competition. Kudos!

MDP in 'Rural Marketing- The Emerging Practices'

A three day Management Development Programme on 'Emerging practices in rural marketing' had been organised at IIRM from 3rd to 5th February 2012. 16 middle level managers from various FMCG companies across the state formed the participant portfolio. Changing rural consumer psyche, contemporary rural market dynamics and paradigm shift towards high end products by rural consumers, were the thrust areas for discussions and deliberations. Prof. J.P Sapra, delivered the key note address which was followed by sessions on aforesaid areas by various faculty members. The pedagogy of the three day knowledge sharing programme was a practice oriented one, wherein role plays, mock drills and simulations were the major methods adopted. The valedictory programme saw a perfect exchange of ideas by key note speakers and participants, on the relevance of a change in methods and practices while entering the overwhelming rural markets. The programme was presided over by Prof. Barbara Cangan, President - SIIRM. Certificates and citations were given away to the participants by the Hon'ble President in the presence of corporate leaders and other dignitaries on the dais.

FDW on 'Modern Teaching Methods and Practices'

A Faculty Development Workshop on 'Modern Teaching Methods and Practices' was held at FMS-IRM from 5th to 7th January 2012. The programme was primarily a platform for the faculty members of professional colleges to discuss and understand the necessity to shift towards a new and time oriented method of teaching to enhance the acceptance of young professionals in a more competitive corporate world. The structure of the programme covered How to understand the need of the day, How to apply contemporary methods to make classrooms sessions interesting and participative, 'Communication should no more be a hurdle', Implementation of 'Combining books and field' and How to move in tandem with corporate requirements. Four technical sessions were held under the lead of an expert in the respective areas. Prof. B.R Madan, Prof. J.P Sapra, Prof. R.C., Dr. P.M Jain and Prof. Sali....., were among the resource lead for the programme. The programme fetched immense interest from participants as the design was strictly a practice oriented one with simulations and mock drills as major dispensing methods. The workshop was attended by 30 faculty members from different B-schools, Engineering colleges and Universities in Rajasthan. The programme was formally inaugurated by Prof. Barbara Cangan, Hon'ble President-SIIRM, in a scintillating ceremony attended by dignitaries from academics and research, from various educational institutions across the state.



THE LEGACY OF STEVE JOBS

"It's not about charisma and personality, it's about results and products and those very bedrock things that are why people at Apple and outside of Apple are getting more excited about the company and what Apple stands for and what its potential is to contribute to the industry."

These words were spoken by none other than Steve Jobs, the co-founder of the company "Apple", and the greatest innovator of our time. It is because of him that today we are using the creations of his brilliant mind - the iPhones, iPads, iPods etc. He was born on February 24, 1955 to two University of Wisconsin graduate students who gave him up for adoption. He was adopted by Clara and Paul Jobs and named Steven Paul Jobs. The family lived in Mountain View within California's Silicon Valley. Paul would show his son how to take apart and reconstruct electronics, a hobby which instilled confidence, tenacity and mechanical prowess in young Steve.

He had a troubled youth for various reasons and dabbled in many things. After enrolling in high school, he spent his free time at Hewlett-Packard where he befriended Steve Wozniak who was a brilliant computer engineer. The two developed great respect for each other. In 1976, along with Ronald Wayne, they founded Apple. Steve was only 21 years old but he had an undying spirit to move forward. In just 4 years, Apple Computers became a publically traded company with a market value of \$1.2 billion. After the initial euphoria, IBM began surpassing Apple sales.

Undeterred, in 1984, the company introduced the Macintosh (MAC) 128K, the first mainstream computer that abandoned text-only commands in favor of a graphical user interface. Along with it came the mouse, a device which is crucial to modern computing. In 1985, under pressure from the management and harsh criticism, Jobs resigned as Apple's C.E.O. to begin a new hardware and software company called NeXT Inc. In 1986, Jobs snatched up Lucas films and renamed this computer animation company 'Pixar'. Soon he negotiated a deal with Disney to produce Pixar's first full-length feature, Toy Story. After a string of record-breaking films, he sold the company to Disney for approximately \$7.4 billion.

In 1997, Steve again found himself at crossroads. On persistent requests from Apple management, he returned to his post as C.E.O. From then on, there was no looking back. All development activities were reorganized, refurbished, revamped and brought under one roof. Apple's credibility was built up and iMac and iBook were successfully launched. The somewhat unusual look and candy-coloured combinations of Apple's hardware began to give the company an edgy appeal of its own. In 2001, the iPod along with the iTunes software was launched and it revolutionized the way we listen to music. In 2007, Steve launched what is undoubtedly the best-selling Apple product to date - the iPhone. Although

competitors did their best to catch up and deflect him, Jobs stayed the course and continued to create innovative products on Apple's terms, and without being influenced from the rest of the tech world. Once the iPhone was firmly a market leader, Jobs took his dream of mobile computing one step further by introducing the iPad. Both the iPhone and iPad product lines have seen massive success and after 4 versions of Apple's smartphone and 2 of iPads, the company has become a very valuable brand name in consumer electronics.

In 2004, Jobs revealed that he was suffering from pancreatic cancer, but continued to perform his duties at Apple, promising only to step down when he felt the time was right. He finally succumbed to the disease at the age of 56. Jobs' passion for creating products that he wanted to use, not just sell, was what set him and Apple above the rest of the personal technology market. The landscape of personal and mobile computing would be dramatically different if it hadn't been for him. We would still have computers and smart phones but without that dynamic drive and marketing vision that Jobs brought to the table, there would perhaps be less impetus to innovate, design and create.

A huge salute to Steve Jobs for gifting technology to this world, with designs as impeccable and ingenious as they come and visions challenging the zeniths.

Bhawna Thakur

PGDM- XXIV Batch

10 LEAST KNOWN FACTS ABOUT STEVE JOBS

1. Steve Jobs graduated from Homestead High School in Cupertino, California. Then he was enrolled in Reed College, Oregon but dropped out after one semester. With his fellow dropout Steve Wozniak, he started Apple in his family Garage in April 1976. Wozniak worked as an Engineer while Jobs was of marketing.
2. Steve Jobs was born on February 24, 1955 to Carole Schieble, an unmarried graduate student and Abdulfattahjandali. He was later adopted by an American couple, Clara & Paul Jobs.
3. Steve's list of fans and followers also includes former Microsoft CEO, Bill gates who took Steve's name, when he was asked to point out a CEO whom he admired. Bill went ahead and said, "In terms of an inspirational leader, Steve Jobs is really the best I have ever met."
4. In search for enlightens and experience spiritualism, Steve Jobs and his friend Dan Kottke visited India in 1974. They wished to meet the NeemKaroli Baba at his Kainchi Ashram, but to their disappointment, upon arrival they were informed that Baba was no more.
5. Steve jobs was one of the most 'Underpaid' CEOs of all time, being given a miniscule salary of 1\$ (as reported in 2010). But apart from an array of company perks, he owned 5.5 million shares in the company, summing up

to a value around \$ 1.8 Billion.

6. In a sudden twist of fate, Jobs was ousted from Apple by the very man he himself brought into the company. In 1985 Jobs was withdrawn from the company owing to John Sculley's recommendation & was stripped of all operating authority.

7. It is said that Steve chose an 'Apple' as the name & logo of his company because he admired the Beatle's Apple Records which used the image of a Green Granny Smith Apple in the late 1960s. This choice was followed by a legal battle with the Beatle's Apple Corp. which was then ultimately settled in February 2007.

8. Jobs became a very young millionaire at the age of 25, when Apple had its first major success – Apple II. Apple's sales increased ten folds in a span of 2 years from 1978-1980, the year the company went public. Gross increase in sales was from \$ 7.8 million to \$ 117 million.

9. Ousted from Apple, Steve started NeXT Computer Inc. which went ahead to develop computers to rival with MACs and Windows based computers. But sadly, the competition was short termed as sales didn't pitch high, forcing Jobs to abandon NeXT's hardware operations in 1993.

10. Jobs bought George Lucas' computer animation division in 1986 & named it PIXAR. After signing a distribution deal with Walt Disney, Jobs promoted animated movies & with the huge success of movies like Toy Story, Finding Nemo etc. Pixar went public. In 2006, Disney bought Pixar for \$ 8.06 Billion.

WHY IS RUPEE AT AN ALL-TIME LOW?

16 aanas, 64 paise, or 192 pies were the former divisions of a rupee. Now the division of a rupee is 100 paise. Does it make any difference vis-à-vis foreign currencies? It does not. What matters is the value of the rupee as compared to a hard currency like the U.S. Dollar or the Sterling Pound. For about half a century, rupee is being devalued, that is, one can get 5 times more rupees for one dollar today than in fifties. There have been periods, although mostly brief, when the rupee remained more or less stable. But in the month of February 2012, Indian rupee touched a record low of 53.65 against the dollar. This is in spite of India's GDP growth rate remaining quite steady and much higher than most of the countries of the world except China. There are many economic factors which decide the value of a currency. A currency tends to become more valuable when its demand is higher than its supply. The weakening or less demand of the Indian rupee against foreign currency is not good news for the Indian government and the importers, as it is leading to many macro-economic problems.

Where did it all start? The origin of the word "Rupee" is from Rupya(Sanskrit) which denotes a coin. After Germany's victory in the Franco-Prussian War

(1870–71), it extracted a huge indemnity from France and then moved to join Britain on a gold standard for currency. At the same time, other countries, such as Japan and India continued to be mainly on the Silver Standard. A huge divide between silver-based and gold-based economies resulted. With the discovery of more and more silver reserves, currencies based on gold continued to rise in value and those based on silver were declining due to demonetization of silver. For India which carried out most of its trade with gold-based countries, especially Britain, the impact of this shift was profound. As the price of silver continued to fall, so did the exchange value of the rupee, when measured against pound sterling or dollar.

Reasons for the fall of rupee: It is difficult to analyze the various factors that have led to such a fall of the rupee in recent times. However, some of the reasons are given below.

Dollar is in demand: India being an emerging economy, the huge percentage of investment in the country is from outside especially from US. However, recession in the US and collapse of some corporate giants has resulted in the money being pulled out from our stock market and similar institutes. This has spurred an increased demand for the dollar.

Collapse of international trade: Commodity prices have literally crashed at international level which has also fuelled an increase in the demand for dollars as payments have to be made in terms of dollars. Exporters have fewer orders from other countries and hence it makes all the more sense if they accumulate dollars for a rainy day.

Stock market performance: Indian stock market is dominated by overseas investors. If they begin to pull out, rupee depreciates. So the real returns of the foreign investors are increased.

Inflation: Inflation affects the currency value adversely. For quite sometime, inflation has been very high and stubborn. This obviously decreases the purchasing power against other currencies. the value of that country's currency.

Flight of money from our shores: It is not speculation that humungous amounts of money are leaving our country, perhaps for unknown destinations. The continued devaluation of the Indian rupee is worrisome. The pressure on the dollar is very high. Do we presume that the captains of Indian financial ship are unable to perform their tasks? Or they have simply surrendered themselves to some 'Bhagyavidhata'? I am also sure the rampant corruption and internal bleeding of economy have a lot to do with it. Let's just eagerly wait to hear from some experts some day on this. In the mean time, one can only hope that this fall of the rupee is a temporary one.

Vishakha Saxena
PGDM- XXIV Batch



THE IDEA OF FDIs IN RETAIL APPALLS ME

The idea of Foreign Direct Investment in the retail sector in India appalls me. There are many reasons for this, some of which, as adduced from the media and internet, are as under:

1. Middlemen and distribution. The myth about 'farm-to-store' supply chain should end with the simple fact that middlemen will not be removed from the operation but that existing middle men will be replaced by bigger and more prosperous middlemen which will do nothing for the families of those who will be obliterated by the new model.
2. Prices for the farmers. It has been strongly advocated that the farmers will get better prices. But will they? Farmer suicides are not because they cannot sell but because they are unable to get remunerative prices for their produce due to crop mismanagement or the inability to pay back their loans. To suggest that foreign retailers would be so teary-eyed at the plight of farmers that they would offer a premium on produce which is available at less is not plausible.
3. Unhealthy brands competition: Brands compete to secure market share. This is usually done at the cost of another existing competitor by predatory pricing. Brands will go on a losing spree to corner market share. In a fight of such giants as Walmart and Carrefour which have deep pockets, the small retailer and the 'kirana' shop owner of today stand no chance. They may be obliterated.
4. Incompatibility of big retail with small retail. The two cannot co-exist. The 'kirana' sells on the basis of daily consumables of the middle class. The big-format pushes for bulk sales, weekly big purchases where you buy four when you need one, simply because it is priced attractively. Again the small retailer will be the victim.
5. Big retail vis-à-vis inflation. The oft-quoted reason that food inflation will be curtailed with FDI in retail is not true. Food inflation has to do with supply side shortages and distribution bottlenecks. The advent of big retail will not induce any farmer to grow more food or make any dent in the fossilized mechanisms of food procurement and distribution policies of the Government.
6. Better prices for consumers. That consumers will get lower prices is another figment of the lobbyist's fertile imagination. The argument is against the principle of growth and inflation. Big retail can at best sell you cheaper potatoes or five such items carefully selected on seasonal variations or bulk deals with producers for only a week or so. For everything else you buy from them, you will pay more.
7. Small jobs. It is propagated that more jobs will be created when big retail steps in. For an economy where 80% of the population engaged in trade and local

retailing is self-employed, how do the numbers stack up if you dislodge even 20% of that population.

Thus FDIs in Retail will do more harm than good. The political expediency attributed to the opposition on this issue is actually misdirected and it is the government which should be under a cloud of suspicion for the timing of this move. All the media support for FDI in retail is connected to their advertising potential and business cross-holdings. Media houses are naturally not saddled with the responsibility of finding employment for the burgeoning population of the country. The best way to test their integrity is to ask if they are okay with FDI in media!

Surabhi Kalhan

PGDM-XXIV Batch

FDI IN RETAIL—NOT A BANE BUT A BOON

One of the modes for any firm, company or organization to enter international business is FDI (FOREIGN DIRECT INVESTMENT). It entails investment for the establishment of a new enterprise in a foreign country either as a branch or as a subsidiary, expansion of an overseas branch or subsidiary, and acquisition of overseas business enterprises. Before we talk about FDI in retail it is important to know what retail exactly is?

In simple words, retail is defined as a sale to the ultimate consumer. Thus retailing is said to be an interface between the producer and the individual consumer buying for personal consumption. It is a link that connects the individual consumer with the manufacturing and distribution chain. Retailing in India is one of the pillars of the economy and it accounts for about 15% of its GDP. The Indian retail market is estimated to be US\$ 450 billion and is one of the top five retail markets in the world in terms of economic value. However, the Indian retail sector is highly fragmented with 97% of its business being run by the unorganized retailers. The organized sector, however forms a small part of this sector. In single brand retail, FDI is allowed up to 51%, subject to Foreign Investment Promotion Board's (FIPB) approval and is subject to the conditions mentioned in press note 3(8) that: (a) Only single brand products would be sold. (b) Products should be sold under the same brand. (c) Single brand product retail would only cover products which are branded during manufacturing and (d) Addition to product categories to be sold under "Single Brand" would require fresh approval from the government.

In Nov-2011, the Govt. of India announced major reforms paving the way for international retail giants such as Walmart, Carrefour and Tesco, as well as single brand majors like Nike and Apple to enter the fast growing Indian market. Thus an attempt was made to remove the regulations like signboard licenses and anti-

hoarding measures that deterred most of the foreign investment in retailing. This caused intense activism in opposition and the Indian Govt. had to suspend the retail reforms, at least for the time being.

Considering all the pros and cons, I personally favour the government's move on supporting FDI in the retail sector as it will be very advantageous for the Indian economy for the following reasons:

(1) FDI can be a powerful catalyst to spur competition in the retail industry due to the current scenario of low competition and poor productivity.

(2) Indians spend a lot of money shopping abroad, the proposed policy enables them to spend the same money on the same goods in India.

(3) This policy of 100% FDI in single brand retail will benefit both the foreign retailer and the

Indian partner as the foreign retailer gets the local market knowledge and the Indian companies will have access to the best global management practices and technical expertise.

(4) It would increase the farmers' income and agricultural growth as FDI in food-based retailing is likely to ensure adequate flow of capital into the country and its productive use.

(5) Indian shopping takes place mostly in open markets (omnipresent grocery and retail shops).

The shoppers have to wait outside, they cannot pick or examine a product from the shelf. But if retail trade is opened for the likes of Walmart, this problem will be solved.

(6) It will provide job opportunities and will help in developing better logistical support and cold chains resulting in improvement of quality standards.

In view of the above, FDI in retail sector should be encouraged but FDI in multi-branding should be dealt with caution as it directly affects a large chunk of the population.

Ashima Parashar
PGDM-XXIV Batch

RETAIL ON THE HORNS OF DILEMMA

The decision to increase FDI in single-brand retail was taken up by the Central Cabinet on November 24 and it was announced to allow 51 per cent FDI in multi-brand retail which was prohibited earlier. In single-brand retail training, 100 % FDI was notified. If these reforms were to be approved, it would have provided a big opportunity to multinational retailers like WalMart, Tesco, Carrefour and Woolsworth to enter the Indian market. However, the Government was forced to put on hold the FDI in multi-brand retail by several political parties, including UPA and Trinamool Congress. This implies that FDI in retail is of questionable value, at least in the present

scenario. Since we have had more than 10 years experience of organized retail, let us examine some questions that arise in our mind regarding proposed leap forward of the UPA Government in opening up the retail sector. These questions are: Will the big retail work in India at all? Will small traders go out of business? Will big retail help the farmers?

When India's first modern retail stores opened for business about 15 years ago, they triggered big headlines. However, organized today's retail is only a tiny fragment of the retail market and most big players are struggling to break even. This is why India is one of the few countries where Indian big retailers actually want their foreign rivals to come in. They claim that it will bring in more funds.

The loudest and most vocal opponents of FDI in retail are small traders (commonly called Kiranas) saying that they will go bust. It is interesting that they staged similar, violent protests when the first Indian retail chains opened. Since then many surveys have been carried out to find the impact of organized retail on the small trader with varying conclusions. But it is generally agreed that in the initial few months, small traders in the vicinity of modern stores, retrogressed. But once the novelty wore off, things went back to what they were earlier. Rather, the Government figures claim that the rate of growth of modern retail in India has actually fallen from 27% to 15% between 2005 to 2009, while the unorganized retail has maintained a steady growth of 15% in the same period. This calls into question both the government's logic of the growth prospects of big retail in India, as well as the arguments of the traders associations who oppose it.

In the past, the villagers would take their products to the nearest 'Mandi' and most Indian retailers would buy from there. But now, companies like Reliance and Big Bazaar, have set up local centres and after taking permission from Mandis, they purchase goods directly from farmers. Thus farmers have to travel less and they get a price close to the Mandi price.

In my opinion, monopoly by big corporations of traditionally retail market in India, which is the legitimate fear of many small traders, is a self-destructive idea. Let us not forget that when 'Cinema' came, people started writing obituary for 'Theatre'. When TV and video came, people started writing obituary for Cinema. Apparently, we are having all of them, and enjoying all of them. Closer home, we know that Reliance Fresh has not made huge impact on 'Subziwala' (Fruit-vegetable vendor). He and the like of him have not been obliterated. They are still existing, even some of them are flourishing in their own way. So co-existence between the big-wigs and the small retailer is the key word.

Sunny Garg
PGDM-RM,V Batch

GENERATION "I"

Generation "I" typically comprises of teenagers who believe strongly in the "I, me & myself" philosophy. For them, it is most important to create their own identity, outdo their role model and become ideal and an idol for others.

"Why are teens becoming self-centered and losing values like respect, patriotism and humanity?" This and many other such questions keep arising in my mind time and again. I would like to share an incident - a tragedy that befell a family, traumatized me and made me think as to how utterly selfish people can be?

There was a family, parents and their three children. The youngest son of the family was eight years old, the elder son and daughter were 15-year twins. One day, while coming back from tuition, the twins noticed that their neighbour's house was on fire and they were shouting for help but no one helped them. The twins also ignored them and thought 'Why to take trouble for their neighbours'? When they came back home, they couldn't find their younger brother. As they searched for him, they realized that he was at their neighbour's house that had caught fire. The eight year old boy died not only just because of the fire, but also because of the ignorant, selfish attitude of his brother and sister.

The above incident tells us the harsh truth of life that when one becomes too self-centered and casts aside everybody because of his self-seeking motives, he ultimately suffers. So, to make a smooth sailing in life, think of others and help them whenever you can. Leave your "I" factor behind and remember that the good done to others does come back to us in some way or the other, sooner or later. Being self-centered causes numerous tensions and it snatches away one's mental peace.

Very truly said by Winston Churchill, "We make a living by what we get, but make a life by what we give".

Ajay Motwani

PGDM-XXIV Batch

DABBAWALAS OF MUMBAI

Hungry kya? What would you like - pizza from the local Domino's or a fresh, hot meal from home? Most managers don't have a choice. It's either a packed lunch or junk food grabbed from a fast food outlet. Unless you live in Mumbai, that is where a small army of 'Dabbawalas' picks up 175,000 lunches from homes and delivers them to harried students, managers and workers on every working day, at their desk, 12.30 pm on the dot. Served hot of course.

MODUS OPERANDI

This stupendous work is carried out by a unique

organization, Mumbai Tiffin Box Suppliers Association—perhaps only one of its kind in the whole business world. It has on its rolls 4500 members who are semi-literate. Education till standard seven is a minimum prerequisite. Apart from commitment and dedication, each dabbawala, like any businessman, has to bring some capital with him. The minimum investment is two bicycles (approximately Rs 4,000), a wooden crate for the tiffins (Rs 500), at least one white cotton kurta-pyjama (Rs 600) and Rs 20 for the trademark Gandhi topi.

The entire system depends on teamwork and meticulous timing. Tiffins are collected from designated places between 7.00 am and 9.00 am, and taken to the nearest railway station. At various intermediary stations, they are hauled onto platforms and sorted out for area-wise distribution, so that single tiffin could change hands three to four times in the course of its daily journey. At Mumbai's downtown stations, the last link in the chain, a final relay of dabbawalas fan out to the tiffins' destined bellies. Lunch hour over, the whole process moves into reverse and the tiffins return to suburban homes by 6.00 pm.

ELEGANT LOGISTICS

In the dabbawalas' elegant logistics system, using 25 kms of public transport, 10 km of footwork and involving multiple transfer points, mistakes rarely happen. According to a Forbes 1998 article, one mistake for every eight million deliveries is the norm. How do they achieve virtual six-sigma quality with zero documentation? For one, the system limits the routing and sorting to a few central points. Secondly, a simple color code determines not only packet routing but packet prioritizing as lunches transfer from train to bicycle to foot. Speed is the hallmark of logistics. A BBC crew filming dabbawalas in action was amazed at their tempo and pace. "Following our dabbawala wasn't easy; our film crew quickly lost him in the congestion of the train station. At Victoria Terminus we found other fast moving dabbawalas, but not our subject and at Mr Bhatpat's ayurvedic pharmacy, the lunch had arrived long before the film crew," the documentary noted wryly.

WHO ARE THE DABBAWALAS?

Dabbawalas belong to the Malva caste, and arrive in Mumbai from places like Rajgurunagar, Akola, Ambegaon, Junnar and Maashi. "We believe in employing people from our own community. So whenever there is a vacancy, elders recommend a relative from their village," says President of the Association. Farming earns a pittance, compelling rural folks to move to the city and the tiffin service is a business of repute since no body is working under anyone. It is



initiative and has replaced 1.27 crore bulbs with CFLs in households, offices and other places in 2010. It's high time that other states follow the lead and move forward towards lighting the CFL.

Umesh Maheshwari
PGDM-XXIV Batch

THE STEEL MAN OF INDIA: RATAN TATA

Capitalism, as its very name implies, is driven solely by profit motive leading to the exploitation of the poor classes. It is rare that capitalists think beyond profit. Hence, when someone breaks the stereotype, the world sits up and takes notice. Mr. Ratan Tata, Chairman, Tata Group, exemplifies this rare ilk. Through his pro-people business ventures, he has ushered in a new era in the Indian corporate scenario. A scion of the famous Tata family, Mr. Ratan Tata was born in 1937 in Mumbai. After completing a B.Sc. degree in Structural Engineering from Cornell University, USA, he joined the Tata group in 1962. Since then, his journey has been a veritable saga of brilliant corporate milestones. In between, he has also had to face some disappointments, like the closure of NELCO and Empress Mill. However, he has taken these temporary setbacks in his stride.

In 1981, he took over as group chairman from the legendary J.R.D. Tata. Nearly 20 years later, Ratan Tata has achieved almost everything on his 1991 agenda. At Rs. 3.46 lakh crores (Rs 3.46 trillion), Tata Group's revenue is 40 times the 1991 level, while net profit has gone up four times. In the past decade - the decade that is marked as the glorious epoch of Ratan Tata - nearly \$18 billion was shelled out to acquire 22 companies worldwide, including Tetley Tea and Corus Steel in the UK, New York's Pierre Hotel and Jaguar Land Rover. This is besides the Tata empire in India that includes India's largest private steel company, the biggest auto manufacturer and the largest IT outsourcing firm. The Charitable Trust of Tata holds 65.8% of the ownership of the Tata group.

TISCO, now called Tata Steel, was set up in 1907 as India's first iron and steel plant in Jamshedpur, which was christened Tatanagar. The production started in 1912. It produces steel at the lowest cost in the world, mainly because it is assisted by group-member concerns that deal with the supply of raw material like coal and iron. January 2007 was a watershed in the history of Tata Group. Tata Steel made a successful bid for UK based Corus Group, which was one of the world's leading steel and aluminium producers. After an unprecedented nine rounds of bidding, Tata finally clinched the deal. Tata offered to buy 100% stake in Corus at 608 pence per

irm

share (all cash) totalling to a value of \$12.04 billion. It has turned out to be the biggest acquisition by any Indian. Thereafter in 2008, Tata motors acquired "Jaguar and Land Rover", two iconic British automobile brands, from Ford motors of the UK. The icing on the cake came when he launched the Tata Nano, the cheapest car in the world priced at only Rs. 1 lakh, in March 2009. This car attracted the attention of US President Obama's family during their recent visit to India. The biggest show piece of Tata Steel's enterprise is the town that developed around its plant and is named after its founder — Jamshedpur. The company's leased area in the town is managed by Jamshedpur Utilities & Services Company (JUSCO), which was carved out of Tata Steel in 2004 as a separate Tata group company.

The list of national and international awards that have been bestowed upon Mr. Tata at various points of time is endless. The prestigious "Padma Vibhushan" awarded to him in 2008, is the crown jewel among these honours. However, he is not the kind of person who prefers to rest on his laurels and personal distinctions apparently mean little to him. Instead, he has chosen to tread a markedly different path - that of making the standard of life of a common Indian better through his buyer friendly products, while at the same time keeping an eye on his company's prospects. The roaring success of Tata Group, which currently has the largest market capitalization among all Indian companies in the Indian stock market, is proof enough of his professional acumen. We salute this exceptional corporate icon, the Steel-man of India.

Akshita Morani
PGDM-XXIV Batch

THE UNIMAGINABLE POWER OF IMAGINATION

"Everything is energy. You are an energy magnet, so you electrically energize yourself to everything you want".

In simple terms, all energy vibrates at a certain frequency and being energy personified you too can pulsate at the same frequency. You can release energy of your thoughts and feelings at the same rate and speed with which you receive it. As you focus on what you desire, everything is set in motion in that direction and a change begins to occur. After all, you are the most dominant transmission tower in the universe who is gifted with the power to direct and centralize your energy via your imagination and thoughts resulting in a change in the vibrations, which in turn are magnetically be drawn towards you. The law of attraction says, "Like attracts like".

It depends on you how you use this power, positively or negatively. You are the creator not only of your own destiny but also the destiny of the Universe. So there is no



CONVENTIONAL UNCONVENTIONALISM

At the outset I would like to thank the Interface team and my Alma-Mater for providing me an opportunity to contribute to this newsletter. It's truly an honor to be approached for a write up. Like many of the old students, I have very fond memories of great times spent in FMS-IRM. Perhaps, I could write volumes while reminiscing about the bygone days. However, I would pen-down my views on quite another matter, that is, conventional wisdom of our ancient India which has detrimentally become unconventional.

Ancient India was one of the most vibrant civilizations with very high levels of prosperity. Living in harmony with nature was the convention or default. Green was the color of life before it turned steel grey. Fertilizers were organic, crops free from pesticides, food unpolluted and unadulterated, air clean of harmful gases. Medicines were extracts from various naturally available resources, usually without dangerous side-effects. Because of our sterling contribution to world economy, India was referred to as "Sonekichidiya" meaning "Golden Sparrow". People were wealthy and healthy. Not to say there was no poverty, but poverty of "US\$1 per day" was perhaps non-existent.

In particular reference to the most important natural resource, water, which is a subject very close to my heart, Indians had developed ways and techniques to not only properly use water, but also to conserve and harvest it. Check-dams, harvest pits/wells and other structures were designed, built and improvised over the ages. The misfortune pertaining to this technology is that you find almost no written evidence or literature to study. The manifestations in the form of bawris, tankas etc. in regions of western Rajasthan alone are testimony to these technological marvels. This is the case in other parts of India too. You will find step wells in parts of south-western Andhra Pradesh and south-eastern Karnataka. Deccan peninsula has lakes built by people and Kings alike. People of the hills, in Uttarakhand, Himachal and even in Ladakh developed ingenious ways to save water. Tribal and forest regions of India did not need to worry much about water conservation as they never dammed river flows and the rivers in turn blessed them with unabated supply of water. Importance of water harvesting was realized by us in ancient times.

This know-how was passed on to generations with diminishing rates of return until it became virtually extinct or obsolete; and then gave way to western technological advances, which may or may not suit our conditions. Someone once said, "Trees with deep roots stand the most forceful of winds." Sadly we Indians have

let our roots rot. But our roots are still deep. We have not cut them off because our culture withstands unrelenting onslaught of the so called "conventional" ways of thinking.

We have never been averse to knowing new points of view even if it were in the space of religion. What we have erred in, during modern times, is that we failed to preserve our conventional way of life and promote ancient science and technology. Instead, we simply dumped them in favour of the western technological solutions to solve various problems. A classic example is the way we have tried to resolve the problem of making water available for all citizens. Despite billions of dollars being spent on providing "clean drinking water" to the billion-plus Indians, we see water tankers in cities and even villages particularly during summers. We see deaths due to water borne diseases almost round the year, more so during the rainy season.

My attempt here is to bring forth a need to think "unconventional" in our daily lives. My attempt is to try and promote a way where age-old conventional knowledge is brought forward again. My attempt is to try and keep alive "unconventional/non-conventional" knowledge which was once "conventional". Food for thought, I hope it is. Good luck young guns!



Kiran Kalyanam
PGDM-XVII Batch
Head Operations,
Saathi Distribution Pvt. Ltd.



1. What accomplishments are you most proud of?

A recent one is : Delivering straight through processing and online business process management to our customers.

2. If you were to go back in life, what would you want to change and why?

Nothing, I love my life as it is today.

3. One word that describes you?

Passionate!

4. Two things we don't know about you?

I love Tom & Jerry and can watch it non-stop. I have read the Bible, Gita and Quran (all in English).

5. How do you deal with day-to-day stress in your life?

Usually went for a long walk late in the evening and looked at stars in the sky, but now my stress-breaker is my darling daughter.

6. Your most embarrassing moment?

In the first week of my first job, I walked into a meeting room to enquire from a man sitting there "do we get reimbursement for food ordered?" Later I found out he was our country head of the company.

7. Your word of advice to the budding managers?

Change is inevitable, so drive it rather than resist it.

8. What would you like to be remembered most for?

A person with a smile who always gave a try, when asked to deliver.

9. Who/What had the greatest influence on your life, and how?

My parents for their passion and hard work to give their family everything needed and Siva Prasad for his humility in excellence at work. He taught me to be proactive and never be disappointed with a failure because failures teach you how to achieve success.

10. What is your wildest fantasy?

Walk to the north pole.

11. When, if ever, do you think it is okay to tell a lie?

When it can make someone smile and not hurt anyone.

12. If you have to choose a movie-title for your life-story, what would that be?

Mr. Bean in IT.

13. If you were stuck on a deserted island, who would you wish to be your companion?

My Wife!

14. Who is your favorite celebrity & why?

Mr .N.R. Narayana Murthy for his simple thinking, focused attitude and principles in life and his philanthropic activities.

15. Which is your strong wish that has not yet been fulfilled?

Have a small house at the top of a hill, I am sure it is not too far!



Mr. Prateek Mehrotra
Technical consultant
Application Infrastructure Services
Fidelity Business Services
India Pvt. Ltd

1. What accomplishments are you most proud of?

Being All India CA (Final) topper and receiving a gold medal by the CA Institute.

2. If you were to go back in life, what would you want to change and why?

I am happy with my life as it is..... hence, no change

3. One word that describes you?

Confident

4. Two things we don't know about you?

I am a stage artist and owner of more than 20 academic qualifications.

5. How do you deal with day to day stress in your life?

By regular working out in the gym.

6. Your most embarrassing moment?

In a group of school friends, I was making fun of a girl, who supposedly was having a crush on me. Suddenly, a silence fell on the crowd. Why? Because the girl had appeared as if from nowhere and was standing right behind me.

7. Your word of advice to the budding managers?

Keep trying. Sooner or later, you will achieve your goal.

8. What would you like to be remembered most for?

As a successful professional

9. Who/What had the greatest influence on your life, and how?

My father, it is because of his disciplinary behavior that I am able to achieve all that I have today.

10. What is your wildest fantasy?

Nothing as such

11. When, if ever, do you think it is okay to tell a lie?

If it not harmful to anyone and helps me in overcoming my problem.

12. If you have to choose a movie-title for your life-story, what would that be?

Alice in Wonderland

13. If you were stuck on a deserted island, who would you wish to be your companion?

My Wife.

14. Who is your favorite celebrity & why?

Mr. Amitabh Bachan because of his down to earth, humble and polite nature.

15. Which is your strong wish that has not yet been fulfilled?

Attaching the prefix "Dr." to my name.



Prof. Gaurav Malpani
Faculty FMS-IRM

STUDENT RESOLUTION

"We resolve to break free of stereotypes and tread hitherto un-treaded and challenging paths to give voice and shape to our creativity, zest and inherent skills in the pursuit of excellence and the greater good"

NEXT ISSUE

Students are welcome to send in their entries to all the regular columns as early as possible.

View Point : Economic Slowdown

Focus : Management Lessons from embattled King Fisher Airline

Pot Pouri : Poems, Quotes, Tid-bits, Anything that is Innovative, Educative and Entertaining.

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