



CARE BUSINESS REVIEW

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News in Brief

Food inflation hits lowest level in 4years. Rate drops to 1.8% due to sharp fall in vegetable and cereal prices base effect. “We expect inflation to drop to around 6.5% by March end – said Rao”-ET, Dec 23rd P6

Pepsi Co to take on regional food players like Haldiram, Balaji wafer and A-top foods. The Cola-to-snacks major to push mass food item under Lehar brand, which is estimate to contribute 50% to Pepsi Co’s food business-ET, Dec 23rd P3

Oracle stumbled in its latest quarter as the business software maker struggled to close deals. A signal of possible trouble ahead for the technology sector – ET, Dec 22nd P2

Defense offset policy to bring Rs 18000 Cr orders for Indian companies. Small & medium suppliers of various defense products are expected to get orders worth Rs18000Cr from larger MNC’s that bag major defense orders as a result of the offset policy.- ET, 27th Dec P3

Sony sells stake in LCD venture to Samsung after predicting an eighth consecutive year of losses from TV’s amid sluggish demand. ET, 27th Dec P1

HCL eyes deals amid European debt crisis. The firm is targeting deals in the Nordic countries, Germany and France because continental Europe is its biggest growth area. Its order pipeline is bigger than ever before and the company plan to expand opening offering for data analysis and cloud computing. ET, 13th Dec P5

Talk to your TV via Xbox live. Indians get the first taste of voice controlled television when Microsoft upgraded their Xbox live services. With Xbox 360 you can now access social networking apps, do chatting and browse gaming content on the TV just by voice command.-ET, Dec 13th P6

Infosys BPO the back office subsidiary of Infosys has acquired Australia based sourcing and category management services firm Port Land Group. The Australian 37\$ million all cash deal is expected to be completed by Jan 2012. ET, 21st Dec P6

Online retailers on hiring spree. Online retailers have almost doubled their staff strength in India during the current financial year. India has 11 million online consumers. The number of E-buyers will grow to 38 million by 2015 according to a survey-ET, 20th Dec, P20

Coca-Cola Co, the world's largest soft drink maker, will boost its US investment next year more than 3\$ billion spent in 2011-BL,13th Dec P5.,

Tulip telecom plans to invest Rs 2100 cr on expansion. It will build new data centre over the next 2 years and expect the segment to account for 25% of its revenues-ET

Govt plans Rs 10,000Cr fund to promote electronic manufacturing. The Electronic development fund (EDF) next in the country.BL,Dec15th P7

Zensar technologies joined hands with internet giant Google to provide Google apps to large retail and manufacturing customers.Rs 200 Cr of new business to e driven by this alliance –BL, Dec15th P5

Indsur to invest Rs 100Cr to double capacity. Indsur global, a casting and auto components manufacturer plans to invest Rs 100 Cr to double capacity at all its plants.-BL,21st Dec P3

Tata Power on Tuesday said in a statement that it would acquire the remaining 51 per cent stake from BP Alternative Energy Holdings in the joint venture Tata BP Solar. On completion of the transaction, Tata Power will own 100 per cent of the company, the statement said -ET

Planet Fashion Grande: Planet Fashion, the retail initiative of Aditya Birla Group-owned Madura Fashion & Lifestyle, has launched its new format, Planet Fashion Grande. The company plans to roll out 15 Planet Fashion Grande stores in 2012-13. The first store has come up in Bangalore. In addition to metros, plans are also under way to have this store in towns such as Surat,

Indore, Dehra Dun, Salem, Erode and Tiruchirapally –Hindustan Times

ET Awards 2011

Business Leader of the year	Chanda Kochhar, ICICI Bank
Entrepreneur of the year	Rahul Bhatia, Indigo Airlines
Global Indian of the year	Vikram Pandit, Citi Bank
Policy Change Agent of the year	Nandan Nilekani
Company of the year	Bajaj Auto
Emerging Company of the year	Shree Renuka Sugars
Lifetime Achievement Award	Yaga Venugopal Reddy, Former Governor of RBI

Future Trends in India Retail Sector

- Lifestyle International, a division of Landmark Group, plans to have more than 50 stores across India by 2012–13.
- Shoppers Stop has plans to invest ` 250 crore to open 15 new supermarkets in the coming three years.
- Pantaloon Retail India (PRIL) plans to invest US\$ 77.88 million this fiscal to add up to existing 2.4 million sq ft retail space. PRIL intends to set up 155 Big Bazaar stores by 2014, raising its total network to 275 stores

Curiosity Corner: Why are we asked to switch off our mobile or keep in flight mode when we are travelling in a flight? (Answer in Page 3)

Computer visionary Steve jobs is to be awarded a posthumous Grammy in honor of his profound affect on the music business announced by Recording Academy. “A creative visionary, Jobs’ innovations such as the iPod and its counterpart, the online iTunes store, revolutionized the industry and how music was distributed. -Business outlook

The hiring in R&D is on: As global companies are shifting their research and development base to India to become cost effective and rising their R&D spend, experts believe that hiring in the segment will grow by up to 20 per cent over last year. Despite the lull in job opportunities, the hiring in R&D is on an upward trajectory and is expected to increase by 15-20 per cent in 2012 – Business Standard

Flow of foreign funds impacted: The global slowdown, including the euro zone debt crisis and the poor economic growth in the U.S., has adversely impacted the flow of foreign funds into India with FDI into the country witnessing a dip of over 50 per cent to \$1.16 billion in October for the second consecutive month – The Hindu

Hero Electric brand has firmed plans to treble yearly business: To scale up operations, the Vijay Munjal-promoted company has readied an investment of Rs 450 crore to set up an electric vehicle manufacturing unit in North America – Financial Express

Microsoft, Nokia to bid for RIM two of the world ‘s leading corporate looked at a possibility of making a joint bid for embattled Blackberry maker RIM. Hindu, 22nd Dec P13

India and Japan on Wednesday signed a dollar swap agreement of \$15 billion (Rs 79,330 crore), whose immediate effect would to strengthen this country in handling the tumbling rupee. The currency swap would take place between the Reserve Bank of India and its counterpart in Tokyo, the Bank of Japan. The two central banks would give each other dollars to stabilize their currencies, in case of need – ET

Ambani brothers’ reunion: The billionaire Ambani brothers appeared to signal that their bitter rivalry may end as they prayed, danced and ate together at a two-day family reunion to mark the 80th birth anniversary of their father Dhirubhai at this small Gujarati village. Business standard

Curiosity Corner:

Airplanes soon after takeoff and much before landing, Fly at an altitude of higher than a kilometer during their flight. They have to ascend to these high altitudes for the aerial flight to avoid turbulence due to clouds and the clear air turbulence present at low and normal altitudes. The pilots know the flight location and destination besides other geographical details by guided commands from the Global positioning system(GPS) which links the control tower ,airplane cockpit and geostationary satellites.

If there are any mobile phones on board in the cabin of the flight in ‘ON’ mode during takeoff and landing, the microwave transmissions between the mobile phone tower and the mobile phones might interfere with the communications the flights are busily engaged in between the cockpit and the control towers.-The Hindu

Leadership

In a knowledge-intensive world of incessant innovation and change, we can assert, every professional must be a real leader. There are no generally accepted, set 'steps' to becoming a great leader. Rather, there are key leadership tips that, in my opinion, all flourishing leaders demonstrate, and that you will need to follow:

Respect the organization and focus on building trust by talking honestly. There is nothing like people respect and being honest. Keep in mind that being honest frees us to be real. Not only do honest people have stronger, enhanced relationships with others, but their honesty makes them better people and it makes our world a better place.

Make vision and values your priority. By paying attention to both of them, employees will appreciate what's vital in the business. You should assess people according to two criteria – their current performance and their values. These values are vital to establishing an effective organization.

Learn to deal with ambiguity, to be able to change your model and to have an ability to be innovative, imaginative and adaptive to change. You can start by creating a change management team or lead position to select and adopt a methodology and improve the organization's understanding of the value of change management.

You must connect with customers, partners, and employees. If you really want to solve a problem, go to the people and give them your ear. New ideas are born here and should be nurtured to provide the

business with continual sources of new approaches.

Be aware of everybody's strength and everybody's weakness. Your job as a leader is to know how to play to those strengths and lift the game of the others on the team.

Be technically proficient - As a leader, you must know your job and have a solid knowledge with your employees' tasks. This will help the employees understand how they contribute to achieving key business objectives. In addition, good leader should show appreciation for good points made by others.

Seek responsibility and take responsibility for your actions - explore for ways to guide your organization to new heights. And when things go wrong, analyze the situation, take corrective action, and move on to the next challenge.

Sign up to big, bold goals. A bold goal provides a preliminary measure of success for everyone in the company. Goals must be pragmatic, easily understood, achievable, and the result of team work. No one wants to be stuck in a dead-end company going nowhere...or a company headed in the wrong direction. They want to be involved with a winner! And your people are the ones who will get you to that goal. You cannot do it alone! (**Dr.S.Ramanathan**)

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Business Review -Supplement

TOP BUSINESS EVENTS IN 2011

*Planning Commission deputy chairperson, Montek Singh Alhwalia sent shock waves across all boards when he announced the govt's Rs 32-per-day poverty cap.

*This year the heavily indebted Air India had to see many strikes and flight cancellations. The national carrier has a total debt of around USD 9 billion.

*Aakash Tablet, world's cheapest tablet PC made in India. This tablet was launched on October 5th 2011 at a function in Delhi by Union Telecom Minister Kapil Sibal.

*Gold struck a record high of Rs 29,516 on November 15 this year.

*A major deal that 2011 saw was between India's Reliance industries and British petroleum giant BP. RIL and BP inked the mega deal to pick up 30 % in RIL oil, gas blocks for \$7.2 billion on Feb 22.

*Notwithstanding the fall in the industrial output and a fear of slowdown, the Reserve Bank of India tinkered with the key rates ten times in a year.

*Workers of Maruti Suzuki India protest against the management at the Manesar plant. This year the strike-hit company made more news than car models.

*Battling financial crisis, Kingfisher Airlines Chairman Vijay Mallya holds a press conference giving detailed account of his companies' financial status.

*Cyrus Mistry, chosen to be the successor of Ratan Tata as the chairman of the Tata Group on Nov 23.

*51% FDI in multi brand retail. Shaking of the inertia of rest, Commerce Minister Anand Sharma on Nov 24 had announced the biggest policy decision of the year only later to be put in the cold storage.

*Vedanta Resources on Dec 8 announced the completion of its acquisition of a controlling stake in Cairn India. Vedanta has acquired 58.5% in Cairn India for a total consideration of USD 8.67 bn, the third-largest acquisition ever by an Indian enterprise globally

*The US and Europe markets stumbled in spite of some stringent action plans

*Rupee depreciation-20% against \$ since August

*Credit rating of the US economy downgraded for the first time.

*Bharath Electronics has created Tablet PC for Rs.3000

*The world mourned on the death of Steve Jobs- the Silicon Valley icon who gave the world the iPod and the iPhone. Steve's brilliance, passion and energy were the source of countless innovations that enrich and improve all of our lives

*India won the Cricket World cup - 2011.India beat Srilanka to win ICC World Cup 2011

*Buddh International circuit in Noida witnessed the first F1 race in India.Sebastin Vettel won the race for RedBull