

FiRE**Si**DE

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Cover

Does this visual bring back the sharpener's rasping sounds, the comforting smell of wood and lead, the difficult first time when fingers clumsily curled around a pencil, and the sheer delight of watching the delicate whorls of shavings emerge?

A pencil stub is witness to broken alphabets and numerals growing to sense and meaning, faltering lines gradually capturing some facet of the world in exultant patterns. Now, nearing the end of the journey, it leaves behind those elegantly coiling wood flakes – reminding us that things can give joy even when we find no particular use for them.

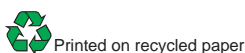
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Back Cover
Making
Water Work

Comment

“To every human problem, there is
a neat and easy solution – and it is wrong”

– H L Mencken



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MEMBER

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How narcissists are beginning to get ignored ■ An airline that doesn't take itself too seriously ■ And a striking environmental poster.

Thermax acquires European boiler maker Danstoker :



Employee session at Danstoker : collective growth, and (above right) visiting Danstoker-Omnical team at Thermax House

Thermax is poised to expand its operations to new international markets with the acquisition of Danstoker A/S, a leading European boiler manufacturer and its German subsidiary, Omnical Kessel. The deal, valued at Euro 29.5 million, was inked on November 8, 2010.

The acquisition process was immediately followed by face-to-face sessions with the 237 experienced employees of Danstoker and Omnical, respectively, in Denmark and Germany. In these 'Day One Communication' meets, Phero Z Pudumjee, Director for International Business and M S Unnikrishnan, MD, welcomed their new European teams to the Thermax fold. They reiterated the company's commitment to nurturing them and growing together. At both sessions, the message was clear: even



Poised to expand to global markets

as the new companies become part of Thermax, their identities will remain the same. Says Phero Z, "We reassured them that the brands, the management structures and the employees will stay and continue to contribute to the collective growth envisaged for the companies."

Danstoker A/S has its headquarters in Herning, Denmark. Its manufacturing facilities are located in both Denmark and Germany, where it had acquired Omnical in 2003. The company has a 75 year tradition in manufacturing biomass based boilers and waste heat recovery systems. Its core products are in the range of 200 to 100,000 kg steam/hour and design pressures up to 86 bar. Danstoker is a respected brand in renewable energy and with over 1200 installations in Europe, it has a strong presence in Nordic countries, Germany, UK, France and Russia. It is a professionally managed and profitable enterprise, with a current annual sales of Euro 40 million.

Omnical, the Danstoker subsidiary, specialises in boilers using oil and gas as well as biomass, and also has waste heat recovery products. Operating predominantly within

*Ascending aspirations:
welcoming the Thermax
team and (below) :
at Omnical : committed
to growing together*



Germany, Omnical has strong supplier relationships with European and Japanese gas turbine manufacturers for their requirements of waste heat recovery systems.

The acquisition has synergy with Thermax's packaged boiler business. The business stands to gain from the advanced technology and process expertise that the European companies provide. It will also help the division to diversify its products and extend its footprint to new markets – Germany, Nordic countries, Russia, UK and South America. The high brand value that both Danstoker and Omnical enjoy in the markets of South East Asia and the Middle East will “help us in our selective internationalisation programme,” says Unny.

Through this acquisition Thermax would leverage the renewable energy movement of Europe that aims to generate 20% of its overall energy from renewables by 2020. Green and renewable products account for 50% of the current revenues of the Danstoker Group. With the expertise that the European companies bring to the table, Thermax can diversify and enrich its green product portfolio and contribute to clean

energy initiatives in global markets.

Besides gaining experienced people, Thermax will also gain access to a well organized and established supply chain catering to the high-quality European engineering industry. It will benefit from the strong business relations that Danstoker and Omnical have built with customers, dealers, packagers and consultants in Europe. On its part, Danstoker can enhance its market share in the growing European green

energy market by capitalising on Thermax's engineering and project management capabilities.

Quick takes on the acquisition

- ▶ The Euro 29.5 million acquisition includes Danstoker and Omnical with their sales offices in Sweden and the UK.
- ▶ Leading brands with illustrious customers in Europe, Russia, Middle East and South East Asia.
- ▶ Offers a strategic fit to Thermax's heating business, diversifying products and gaining access to new markets.
- ▶ Can benefit from advanced technology and the growing renewable energy movement of Europe.



WHAT'S
NEW ?

Boom time for small power plants



Thermax's strategy of providing a special focus to small power plants is paying handsome dividends. It was in 2007 when a performance unit was formed within the Power Division to address industry requirements of upto 14 MW. Today, the SBU has grown three fold in three years with 20 power plants to its credit in this brief period.

The buzz about mega power plants and a resurgent grid has not stopped industry segments from installing their captive plants to ensure reliable operations. Today, steel and sponge iron, textiles, chemicals and pharma units, among others, have used the SBU's EPC capabilities to set up captive power plants.

Focusing on renewable fuels such as biomass and waste heat, the group has positioned itself strongly in the green energy space. "We have a great opportunity to support and enable the industry shift in favour of energy efficiency," says Sunil Raina, Head of the SBU. His team has been setting up plants that harness waste heat from sponge iron units, coke ovens and blast furnaces to

*EPC advantage
to small power
plants and (inset)
Sunil Raina, (left)
and team*



generate power and energy profits. The Group is also commissioning biomass based cogeneration systems for customers focusing on the productivity of their resources.

The SBU has substantial project execution experience from plants set up in several regions including Punjab, Orissa, Jharkhand, Karnataka and Maharashtra. Proposal and execution time frames have collapsed through standardised modules.

Helping the SBU come up with innovative solutions is its decentralized engineering team in Chennai led by D Ravi. When Bombay Rayon found it difficult to accommodate a planned captive cogen plant in their existing manufacturing facility, the SBU could come up with an alternate engineering plan and build the plant in the available space.

Artist's sketch of Doha World Cup stadium



Thermax chiller at Doha World Cup Football Stadium

Thermax chillers could play a pivotal role in cooling the FIFA 2020 World Cup Football stadia in Qatar. The Cooling Division recently commissioned a high temperature hot water chiller driven by solar heat for the Doha stadium, awaiting FIFA inspectors.

The 220 TR demonstration system is driven by hot water at 180°C, heated by a solar system provided by the German company, Mirrox. The hybrid chiller has a back up bio-diesel system to provide heat, in case the

solar panels cannot generate it sufficiently.

Qatar's successful bid to host the World Cup is a major boost for the Middle East that hasn't hosted any major sporting event. One of the challenges that faced Qatar's bid for the World cup is the country's sizzling summer temperatures that soar above 50°C. The coming years will see similar, but much larger, vapour absorption chillers installed in other stadia – nine new and three renovated – that will stage the World Cup.

SERVICING INDUSTRY in Middle East and Africa

Thermax is expanding its service business in the Middle East and Africa markets by offering energy audits and life extension services for critical equipment. The Services SBU of Cooling and Heating Business has successfully completed an energy audit for a cigarette production unit near Dubai. Accepting the recommendations of the study to improve efficiency, the plant is now sourcing a boiler, piping for water, steam and condensate along with balance of plant.

The services SBU is also doing renovation work for Cadbury Nigeria, a Thermax customer. Cadbury has several chillers installed earlier by Thermax. Recently, when performance of four of the aging chillers deteriorated, the services team suggested extending their lives instead of replacing them. Cadbury has accepted the proposal and the renovation work will begin soon.

EXPRESSIONS

This is the first major acquisition for Thermax. It can really help us in our agenda for growth in global markets, increasingly by expanding our green portfolio.



Let me begin by welcoming our colleagues at Danstoker and Omnical to the Thermax group.

I remember over a year ago, we commissioned a study to find out ways and means in which our Heating division could create a footprint in the European marketplace. A comprehensive study came up with many small entities in various European countries. However one group that stood out from the rest was the Danstoker - Omnical group, which had synergy, good technologies and talent.

It was a coincidence that a teaser was sent to us to enquire whether Thermax would be interested in Danstoker. To make a long story short, we pursued the opportunity and are very happy and proud that we were able to successfully bring Danstoker - Omnical into the Thermax group.

This is the first major acquisition for Thermax, and it is gratifying that Danstoker was the preferred choice for Radha and his team. My compliments to Unny, Gopal, Hemant, Sharad, Radha, Ishrat and their teams, who tirelessly strived day and night to achieve the outcome within an aggressive timeframe. Thank you to all our business partners who helped us with the financing, legal and financial due diligence.

Unfortunately, I could not visit Denmark as I had a commitment to be in China during that week. Phero, a strong advocate and driver of this acquisition, with his commitment made all of us stay the course throughout the period. My sincere thanks and congratulations to him and Unny who spoke to the press, met with the German and Danish teams and presided over the acquisition from the corporate office. My thanks to our Board members, who gave us direction, valuable inputs, support and for their confidence and trust in the team through the entire period.

Danstoker and Omnical can help us in our agenda for growth in global markets, by increasingly expanding our green portfolio. Europe, as all of us are aware, is committed to the development of clean energy. In 2007, 27 member states of the European Union adopted a binding target of generating 20% of their energy consumption from renewable energy as also increasing their

energy efficiency by 20% by 2020. Moreover, global energy from biomass is expected to double in the next 20 years.

Danstoker is a respected brand in renewable energy and 50% of its revenues is from its green products. Omnical has a strong presence in the area of waste heat recovery. Both companies will be able to provide state-of-the-art technology and process know-how for our heating business, which will enable it to enhance the division's product portfolio and extend it to our targeted markets of South East Asia and the Middle East. Both Danstoker and Omnical will benefit from our long-term vision of nurturing their growth with Thermax's engineering support and project management skills.

Five senior executives from both organisations and our Danish Board member of the new company visited Pune a week ago. It is wonderful that the teams at various levels have started to dialogue, which will certainly help knowledge flow and integration. In a short span of time, we have built a relationship based on meaningful dialogue wherein we are able to air our differences and, in a spirit of give and take, challenge each other.

Our compliments to Hemant, Radha, Sanjay Reddy and Sanjay Misri, Anjali and the entire team for organising a splendid evening at the Corinthian. There is no substitute for this kind of bonding, which they managed so well.

So, congratulations and welcome once again. Wish you success and be assured of our complete support.



Sometime in mid-October, while in San Francisco, I drove through this beautiful lane, with well manicured lawns, lots of greenery and I noticed there were many youngsters, especially young Indians. Where was I? At Google's headquarters in Mountain View, California.

Why was I at Google? Well, Dr. N. D. Joshi's daughter works for Google. Doc had recommended that I visit her also get a feel of the organisation from one of their happiest employees – Manasi.

While walking around and talking to Manasi, I got the feel that Google's philosophy is based on trust, independence, responsibility and action. There are no specific timings for work; you can come and go as you please – trust; but you are expected to complete work as well as generate what you think would help the organisation – responsibility; no one watches over your shoulder and you are expected to think for yourself – independence; and everyone is encouraged to get involved in many more activities apart from their daily work schedule – action.

As you walk in, what catches the eye is a scroll which lists the approximately three million enquiries that come to Google world over, everyday. For granting access to a visitor, the employee herself types in the name, takes a print out and pastes the sticker on the visitor – a high level of efficiency. The offices are very unique – employees are given three dimensional space to express themselves. Some do this by hanging their bicycle up, others have put up the Indian flag, paintings and so on to express themselves in unique ways.

Google believes in furnishing every need of an individual, so that she does not need to spend any unproductive time. They provide washing machines and dryers; about 13 restaurants on campus serving foods from five different countries around the world all for free, 24x7; plenty of fresh fruit juice bars; coffee shops; places to lounge and play pool; gyms; a swimming pool, dance and yoga classes and many more facilities. I guess the idea is – "do it all on campus and be available for work most of the time!"

They have a very unique scheme called 20%, wherein they encourage you to spend 20% of your time (although invariably it goes to 20% over and above your 100% daily schedule) towards activities of your choice, which will have a direct impact on Google, either through enhancement of profit or brand. For example, developing a new product, or working on a team that supports Google's CSR activities and so on. I was surprised to see how much emphasis is laid on the direct line manager, instead of on HR – the HR process being owned by employees rather than depending on a department called HR. For example, it is the job of the HR department to bring relevant

candidates for interviews for relevant posts, however they are not involved with the process of interviewing. In fact phone and onsite interviews are conducted by different people who volunteer from across the organization, for which they have the potential to earn extra points in their performance appraisal.

Signing up for extra jobs on campus is highly encouraged. 360 degree appraisals are recommended, so that feedback is received from all quarters. In addition to two full cycles of solid performance reviews for all full time employees, managers do a quarterly calibration and give each of their direct reports a score – the calibration score.

If you feel you are worthy of a promotion, you apply along with facts and figures to substantiate your worth. When it comes to promotions, the promotion committee (consisting of seniors 1 or 2 levels above you) takes into consideration the trajectory of quarterly calibration scores. At the end of the period, your line manager gives you feedback as to whether and why you were not considered.

Every quarter, their Founder CEO and COO address the employees for a couple of hours (like our Open Forum or Unny's M1/M2 debrief), on new strategies / markets, at the end of which employees are free to ask any queries. Every Friday they share news about product launches and have a shorter Q&A session which is open to all.

Seeing Manasi was like meeting some of our employees (especially the older ones) who often share how good they feel working at Thermax. If we can get our younger friends to feel the same kind of pride, fulfillment and engagement, I am sure it would make a bigger difference to our organization, and in turn to our customers.

Wish you and your families a very Happy, Healthy and Successful New Year.

Warm Regards,

Meher Pudumjee

At Google, I was amazed to see how much emphasis is laid on the direct line manager, instead of on HR – the HR process being owned by employees rather than depending on a department called HR.



Rajan and Pravin inducted to the Management Council

Rajan Nair and Pravin Karve, Senior Vice Presidents have been elevated to the Executive Council of Thermax.

Rajan's career in Thermax spans more than 25 years in project management and sourcing. Currently the SBU Head of the Boiler & Heater Division, his career highlights include managing energy projects in the Middle East and clinching several projects for steam and power generation in diverse markets. Rajan has earlier worked with Babcock & Wilcox (Operations) Ltd., UK, ACC Babcock and Davy Powergas. He completed his engineering from REC Kurukshetra.

Pravin, is currently the SBU Head of Air Pollution Control (Enviro) Division. He has been involved with the company's transformation initiatives related to sourcing and integrated cost reduction. He joined Thermax as a graduate trainee in 1984 and grew with the Energy division which would later become the Boiler & Heater division. Pravin completed his Mechanical Engineering from Walchand College of Engineering, Sangli in 1984.

Fireside wishes them the very best as they bring their rich experience to the management team.



Rajan and Pravin : rich experience

Ideas for change are blowing in the wind

When Meher inaugurated the innovation portal with the ceremonial click, a platform was created for the countless ideas, latent within Thermax. It could be these ideas that power the company's growth in the years to come.

Partnering with Microsoft, the innovation portfolio management portal has been created by Thermax's Research Technology Innovation Centre. It empowers employees to conceive new ideas, encourages



*Innovation
portal :
nurturing
a fertile
ecosystem*

collaboration, increases visibility to the innovation process and speeds it up too. Unny and Dr. Sonde reinforced that the best ideas are born at the workplace, among people willing to challenge the status quo and do things differently.

With the portal now in place, Thermax looks forward to a flow of continuous ideas in the innovation pipeline. Here's to a fertile ecosystem for cutting edge technology.

ROUND UP

Team triumph at quality circle convention

Three Thermax teams won top prizes at the 35th International Convention on Quality Control Circles (ICQCC) 2010. Teams 'Right First Time' and 'Total Productive Maintenance' won Gold medals while 'Team 5S' was awarded a Silver medal.

The convention, held in Hyderabad, showcased success stories of frontline industrial and service organisations from 13 countries. About 2,500 delegates in 446 teams presented case studies on improving quality and productivity by implementing quality concept tools and techniques.

From the first meet in Seoul in 1975, ICQCC has provided opportunities for quality circle experts to exchange views and search for new avenues to improve process management, add value and reduce costs.



The two gold and silver teams : improvement case studies



Satya : new responsibilities

Satya is the new chief of Southern Region

Satyanataraj has taken over as the Corporate Regional Manager (CRM)-Southern region. Satya joined PHD, now Heating SBU in 1996 as a service engineer. His abundant experience in handling customers is evident in the responsibilities he has shouldered as Sales and Area Manager, and most recently, as Business Manager (C&H).

Rabindranath Pillai, the former CRM Southern chief now heads the Standard Products Group (SPG) of WWS. Kiran Sapre, the erstwhile SPG head will train his expertise as a dedicated coordinator for 'Project Focus'.

Fireside wishes Kiran, Rabi and Satya the very best in their new roles.

Customer service award for Thermax Chemicals

Thermax Chemical division was awarded 'Customer service excellence in water treatment chemicals' by Frost & Sullivan. S. Krishnan, the Chemical chief accepted the award in Mumbai.

The honour followed a critical assessment of the team's technical expertise, trained

personnel stationed at sites, accessibility of sales engineers, number of sales offices and distributors, response time to enquiries and reference projects.

Frost & Sullivan, researchers and consultants have instituted the awards to recognise and highlight exemplary achievements and best practices in the Indian environment sector.



S. Krishnan (left) at the Award function : service excellence

Laurels for Thermax website

The Thermax website (www.thermaxindia.com) competed with 29 other websites to bag bronze in the best Corporate Website category at the 50th Annual Awards function of the Association of Business Communicators of India (ABCI), in Mumbai. The site has been designed by D'zine Garage, Mumbai and is maintained by SCI Knowledge Interlinks, Pune.

The ABCI Annual Awards promote excellence in all areas of business communication with the aim of recognising the best corporate communication practices in India.



Natasba receiving the ABCI Award for Thermax : effective communications

From the fairground

At DIREC (Delhi International Renewable Energy Conference) 2010, Thermax presented its green initiatives in solar, geothermal areas and waste to energy generation through renewable fuel sources. A Thermax presentation at the summit explained how a combination of technologies could provide viable heating and cooling services in the new environment of enabling policy initiatives. The Delhi Conference provided an international platform for government, private sector and civil society leaders to come together and promote renewable energy.

Thermax also demonstrated its capabilities in heating, cooling, and water and wastewater solutions at the 3rd International Hospitality Fair 2010 organised by the Confederation of

Indian Industry in New Delhi. This business-to-business event showcased the recent trends in the hospitality and tourism industry.

India-Chem 2010 saw Thermax displaying its diverse range of chemical products and its latest technology for tough-to-degrade effluents. This international exhibition and conference in Mumbai was organised by the Department of Chemicals & Petrochemicals (Govt. of India) and FICCI.

The 12th International Rice Tech in Kolkata elicited enquiries in steam accessories, cyclomax and cogeneration plants for the company.

Snapshots of Thermax participation in various exhibitions : showcasing capabilities and green initiatives



Knowledge empowered site engineers

Fifteen O&M site engineers and facility managers of the Chemical and Water divisions recently convened at Delhi. Their top agenda – to discuss new technology, government policies and share knowledge which could be used at their respective customer sites. Hemant Joshi – CRM North and Satish Srikantiah, Service Head of C&W listened to the experiences and suggestions shared by the site managers.



*Site engineers come together :
sharing experiences*



At the competition : imaginative drawing

Young hands, creative minds

Hundred and sixty eight children of Thermax workers and staff participated in a drawing competition organised by the industrial relations team. While the tinier tots painted inside flower outlines, or drew butterflies and sceneries, the older children attempted to draw pictures that could tell a story. Some interesting themes that helped the children explore their creativity and come out, quite literally, with flying colours!

They could have danced all night

Thermax supported the Rotary Club of Pune Sports City to organise a dandiya night at the Pancard Club, in October. The prizes, sumptuous treats, sequinned costumes and clash of dandiya sticks to the live music made the show a resounding success. Funds raised during the event will be used for Rotary's social work.



*Dandiya night; and
(inset) Vedant, a star
dancer. He is the son of
BTG's Vilas Gunjal*



Power packed

The Power division mixed business with fun in a variety of events. The small power projects (PP) engineering team competed at kabaddi and volleyball in Mahabalipuram. The large PP group was a powerhouse of talent as they took to the stage with skits and mimicry. And the medium PP team rewarded their outstanding achievers and then danced the night away.



Scenes from Power division's event : fun and business

When Rafi met Pritam



Music night : a blend of old and new



arsandhya, a musical evening staged by Thermax's in-house music group enthralled its listeners with 'Gaane puraane' at Ramkrishna More auditorium in Chinchwad. The 500 strong audience was regaled with Hindi and Marathi songs – old and new. The show also featured Siddhesh Giri, a blind young man who has the unique ability of playing the flute with his nose.

While being felicitated by Ravinder Advani, the B&H chief, in their 10th year of performance, the founding members recalled their dedicated hours of practice after office and invited new talent to join the troupe.



Artsy morning

Twelve hundred children from Akanksha and Thermax managed schools, in Pune and Mumbai gathered one sunny December morning at K C Thackeray Vidya Niketan School. Amidst laughter and giggles, they engrossed themselves in decorating "me masks", paper cup flowers, peacock crowns and frilly crepe

skirts. The youngsters were celebrating 'Art Fest 2010', an event designed to help the kids express their colourful world of imagination and have fun. The art fest that began last year also saw some Thermax employees volunteering to assist the kids in their craft.

When school is fun everyday!



Employees and families at Akanksha : memorable interaction

Thermax employees and their family members had a memorable experience at the interactive session with the Akanksha students. Organised at the NGO's Wakdewadi centre in November, it was part of the commemoration of 10 years of Thermax-Akanksha association.

It encouraged employees to volunteer for activities and gave them a first-hand feel of the children's level of grasping information, their creativity and their ability to think through various situations. The visitors could notice that the students loved coming to school, thanks to the novel teaching methods and the dedication of their teachers.



CMG training at Bangalore

The Channel Management team organised a training program for customers of coil type boilers in December in Bangalore. S. Balaji, Chetan Gowda and Narayan Korde conducted sessions on operation & maintenance, chemical and water treatment, and steam engineering. The 72 participating customers who represented 40 organisations have suggested more frequent training sessions, preferably on shell type and biomass fired boiler.

Postcard from the Abu Dhabi circuit



Hello everyone over there in Pune!

I am penning this from the Yas Marina Circuit in Abu Dhabi. Having the time of my life, on a three-day all expense paid trip to witness the Formula 1 Abu Dhabi Grand Prix 2010, the final race of the season.

My fairy tale began on a November afternoon in a new city where I had been relocated. I completed a slogan contest sponsored by Kingfisher and Team Force India and I was one among the top 14 winners of the country. This trip was my prize.

We cheered hard when Adrian Sutil and Vitantonio Liuzzi from Force India, drove past in the Driver's Parade with the tricolour on their cars. When the race began, it was 120 minutes of sheer adrenaline. Woah! Man and machine racing at 360 km/hr with engines revved to a formula-imposed limit of 18,000 rpm!

After the race, I also enjoyed a live night concert of Linkin Park, a band I grew up listening to. Chalo, got to leave for 'Ferrari World', a theme park under a 2,00,000 square meter roof, which makes it the largest indoor amusement park in the world!

See you when I get back.

Ma as-salaamah,

Roochay Shukla, Power Division



Strengthening supplier base in Gujarat

With a major manufacturing facility at Savli and another coming up in Jhagadia, Thermax is all set to grow its operations in Gujarat. With this objective, the company participated in an ancillary development summit organised by the Federation of Gujarat Industry at Vadodara.

At the exhibition organised for this initiative, Thermax's Savli team and its sourcing group interacted with micro, small and medium enterprises (MSME) in Gujarat who are capable of meeting our requirement of brought out items and consumables. The summit also helped the large ancillary network in Gujarat learn more about Thermax and its offerings in the areas of energy and environment.



At the Gujarat summit : developing vendors for growing operations



Building Networks of Trust : Thermax in China.

FOCUS

Thermax Zhejiang Cooling and Heating Engineering Company Limited has come of age, since its inception in August 2008. This overseas subsidiary promoting the company's business in vapour absorption systems has a state-of-the-art chiller manufacturing plant in Jiaxing and offices in cities including Shanghai, Beijing , Chengdu and Guangzhou.

The China plant has weathered its start-up challenges and is poised to deliver better value to the Chinese and global markets, and provide higher returns to Thermax.

As these photographs tell us, the close-knit 110 strong Thermax China team has created a vibrant life. A feast on Women's Day, a rousing round of applause for performance- award winners, celebrating the wedding of a colleague and major Chinese and Indian festivals, receiving a Friendship Award from the Jiaxing Municipal Government – the team has created a warm and enabling culture. Through them, Thermax is busy building networks of trust with customers and suppliers in China.





Little scholar, Shivam

Ten year old Shivam scored 90% and ranked 18 in the Middle school scholarship exam (fourth standard Pune board) conducted by the Maharashtra government for 2009-10. Earlier, when he was in the third standard, he had been selected for the National level final exam conducted by the Institute for Promotion of Mathematics. Shivam, a student of M.S.S. High School, Chinchwad, is the son of Aruna and Chandrashekhar Budhe of B&H.



Swaraj, budding model

Swaraj, the three and a half year old son of Amrapali and Ranjit Date, B&H Services is already a star model. He was selected and is now featured in Kirloskar's domestic pump advertisements in India and abroad. Swaraj, an LKG tot in City Pride School, Nigdi is fond of bikes, cars and enjoys playing football.



Laboratory designer, Sagar

College of Engineering, Pune (COEP) ex-student Sagar Kamble and his classmates were special guests at the inauguration of the 'Steam technology Center' at the college. They were responsible for designing the recently commissioned steam-engineering laboratory as part of their final year B Tech project. The laboratory sponsored by Forbes Marshall, is a rarity in any college and will benefit future students in conducting various experiments. Today, Sagar is a graduate engineer trainee with Thermax's Cooling division.



Published novelist, Deepti

Deepti Ingle, with Anand Pethe, have published their first novel, 'Just another Love Story', already is in its third edition in three months. Deepti acquired a B.Tech from UDCT, Mumbai University and joined WWS in 2005 as a graduate engineer trainee. She has participated in short story writing competitions and is currently working on her first individual novel.



Basavraj, certified auditor

Basavraj Bande from Quality Assurance Control, B&H has cleared the annual exam conducted by the Bureau of Energy Efficiency (BEE), Delhi and is now a certified Energy Auditor. Basavraj has been with Thermax since 2005 and works at the Boiler Drum Shop at the Chinchwad Factory.



Upendra receives his doctorate

Upendra S. Adhyapak from RTIC has been awarded Ph.D in Environmental Science by the University of Pune. His thesis 'Development of an advance chemo-biological process for degradation of monoethylene glycol' was completed under the guidance of Dr. V. Kalyan Raman, RTIC. The Journal of Environmental Science & Engineering has highlighted his research, and other papers are under publication. Upendra joined Thermax R&D in 1996 and is currently involved in technology developments in wastewater management.



V Radhakrishnan, Head of Thermax's Heating group (C&H) talks to A M Roshan about a streamlined packaged boiler business getting ready for global growth, and explains why we need to be partners with our vendors.

UP CLOSE

“We have brought emotional resonance to the Thermax brand”

In 1986, at its campus recruitment in Nagpur REC, the Thermax team did not select Radha (V Radhakrishnan). For someone with a fascination for thermal engineering, this could have been a major disappointment. Anyway, after four years of hostel life, home in Chennai was calling and soon he found a job at IAEC, another boiler company. One and a half years of “great” learning there, he had a chance encounter with a Thermax official at the Baroda airport, who turned out to be LV (L Venkateswaran). Sensing something that the earlier recruiters had missed, LV suggested to Radha that he should join Thermax. He did, and today Radha heads its Heating business of packaged boilers.

On a cold December morning I have come to Radha's office to snatch an hour from his packed day. Here, the air is already warm with the urgency of closing exports for the quarter in the next few days. Before our session, as Radha discusses logistics and vendor issues with two of his managers, I try to imagine the early days. This is Process Heating territory (former PHD) – the flagship division – the hub from where Thermax would eventually create its energy and environment business. I remember the excitement, not too long ago, when everyone would wait with baited breath, for PHD's invoicing on the last day of the last week of the last quarter. Then, Thermax used to be predominantly a product company. Today, the complexion of the company has changed with project businesses bringing in nearly 2/3rd of its revenues.

Radha assures me that the Heating business also has changed, with its business profits well spread across quarters. “Besides product selling, we have also moved into turnkey system installations,” he says. The Group has even commissioned a sophisticated energy plant that could become an industry benchmark, for Greenply in Uttaranchal.

However, Radha is clear that for his team the battle for sustainable growth is still in the arena of products. Operating in a fragmented market, catering to the widest possible range of industries, Radha says, handling variety has been the biggest challenge for the Heating business. In an effort to insulate the business from the chaos of unplanned customisation, the group has been relentlessly standardising its products and reducing its variety. Today 88% of the boilers sold by the company's Channel network are standard ones while just two years ago, it was only 50%.

The standardisation initiative goes together with the move to clear factory space at Chinchwad exclusively for manufacturing. A new storage and assembly unit, coming up on the outskirts of Pune will make this happen. With standardisation of products, better forecasting methods and streamlined processes modelled on auto industry lines Radha and his team are aiming to boost the Division's productivity in a big way. “From 2.5 boilers a day, in the next 18 months, we will move up to the four boiler mark,” he says confidently. He feels that his group is fortunate to get, at this critical time, the extensive automobile sector experience of Hemant Mohgaonkar, EC Member spearheading the Cooling & Heating Business.

We have been on our chairs for too long and I suggest that we take a walk as we continue with our discussion. It feels nice and warm to be out in the sun as we stroll outside the manufacturing shops. Radha is excited about the Danstoker group coming in to add aesthetics and technology muscle to the Heating group's growth aspirations. Our boilers at Chinchwad and Savli plants should now have the Danstoker look and feel, he says and adds that the fabrication industry is yet to develop practices for the “art and craft of manufacturing.” An exclusive plant for

'finish' jobs at Chinchwad factory is on the anvil.

As it happens with several managers in Thermax, this is the second innings for Radha too. After eight years in Thermax's Engineering group, he joined an agency of the burner systems major, Weishaupt, as Business Manager in 1996. "At that point of time, there were family obligations and I needed to earn more," he says candidly. The Weishaupt experience sharpened the commercial and business aspects of Radha's professional training. "I also learned the importance of dismantling my own mindsets from earlier times and starting on a clean slate," says Radha reflectively. Probably it was this emotional flexibility that helped him to step into Thermax again in 2003 when Shishir Joshipura called him back. Their association marked a new phase of growth for the company's heating business, its revenue more than doubling in the next six years. This was followed by a stint as the head of the newly formed SBU of the Cooling & Heating Services business. His career would come full circle when he became head of the heating group he had joined 22 years ago in 1988. In a company where sales and marketing people usually take over the reins of business, Radha's example of a hard-core engineering professional becoming an SBU Chief, stands out as a rare instance.

Radha says that his career and life have been shaped by several remarkable teachers. He remembers with affection and respect his training under the formidable S Chidambaram at IAEC (a former Thermax professional and 'Chid' to company stalwarts). E M George, the erstwhile engineering chief and R V Ramani were major influences, and Rohinton Aga was always an inspiring presence. "Today, with Unny, my learning continues," he says. Radha has always continued with his habit of traveling to meet new people and keeping in touch with them. He says it is important to remain calm. "I never allow stress to affect me." He is grateful for the supportive atmosphere at home created by Gayathri, his wife and children Akshaya and Ashish.

Can the Heating group recapture its old glory, I ask him. "We are already on the job," Radha says with a rare touch of jauntiness. Compete with the project gorillas? While admitting that his group may not add up in the revenue numbers game, Radha is fired up by the

growth agenda based on a global business plan that his team has chalked out. He reminds me that with the largest number of customers for any Thermax business, his group has brought in emotional resonance to the Thermax brand. "Look at any of the long-term customers who have been with Thermax for the past 20-30 years. They all began with the Heating Group, and we will continue to invest in the emotional bonds we have created." For the next phase of growth, he is convinced we need to invest in our vendors. He feels that a transactional cost-driven approach to vendor relationship will be a big value destroyer of the company's long-term vision and brand equity. "With our vendors, can we replicate the relationships that we envisage for our customers," Radha asks. He is convinced that we need to think in terms of a partnership that will help us to grow together.

As I say goodbye to Radha and head back to my office, I think of the former student from a Tamil medium government school who almost missed the Thermax bus, now driving its oldest business to undreamt of performance levels.

"From 2.5 boilers a day, in the next 18 months, we will move up to the four boiler mark."



THE POWER OF LOYALTY BASED MANAGEMENT



Frederick Reichheld's 1996 business classic, *The Loyalty Effect* questioned the then fashionable buzzwords of management wisdom that justified perpetual churn – lost customers, sacked employees, fickle investors. The book presented a saner and profitable alternative of successful companies retaining their customers, employees and investors by creating value for them.

In a world that has witnessed economic and political upheavals in the intervening years, old fashioned loyalty based management that chooses long-term value creation over short-term profits, continues to be relevant and rewarding. Excerpts from the book.

SIGNPOSTS

LOYALTY IS DEAD, the experts proclaim, and the statistics seem to bear them out. On average, U. S. corporations now lose half their customers in five years, half their employees in four, and half their investors in less than one. We seem to face a future in which the only business relationships will be opportunistic transactions between virtual strangers.

But are the experts right? Has the time really come to abandon hope and enter the world of fast-money speculators, job-surfing careerists, disposable employees, and fickle customers? Even more important, can companies succeed by embracing opportunism as a way of life? The answer is no, not if they care about long-term growth and profits. Experience has shown us that disloyalty at current rates stunts corporate performance by 25 to 50 percent, sometimes more. By contrast, businesses that concentrate on finding and keeping good

customers, productive employees, and supportive investors continue to generate superior results. Loyalty is by no means dead. It remains one of the great engines of business success. In fact, the principles of loyalty – and the business strategy we call loyalty-based management – are alive and well at the heart of every company with an enduring record of high productivity, solid profits, and steady expansion...

Yet, if CEOs are wise enough to see the power of loyalty, why are defection rates so high? How do they manage to lose half their companies' customers every five years? The answer is that most of them don't measure defections and have no idea they're losing customers at such a rate. Or, if they do suspect the truth, they see it as a problem for the marketing department.

But customer loyalty is too important to delegate. It has a crucial effect on every

But are the experts right? Has the time really come to abandon hope and enter the world of fast-money speculators, job-surfing careerists, disposable employees, and fickle customers? Even more important, can companies succeed by embracing opportunism as a way of life? The answer is no, not if they care about long-term growth and profits.

constituency and aspect of a business system; it drives business success and therefore CEO careers. The responsibility for customer retention or defection belongs squarely on the CEO's desk, where it can get the same kind of attention that is lavished on stock price and cash flow. Consistently high retention can create tremendous competitive advantage, boost employee morale, produce unexpected bonuses in productivity and growth, even reduce the cost of capital. Conversely, persistent defection means that former customers – people convinced the company offers inferior value – will eventually outnumber the company's loyal advocates and dominate the collective voice of the market place. When that moment arrives, no amount of advertising, public relations, or ingenious marketing will prop up pricing, new customer acquisitions, or the company's reputation.

In the mid 1980s, when a group of consultants at our firm (Bain & Company) began helping clients to improve their customer retention, we believed it was a practical way of increasing growth and profits, and as a kind of bonus, that it would enhance employee motivation and pride along the way. The truth was a good deal more complex. We found we could not progress beyond a superficial treatment of customer loyalty without delving into employee loyalty. We found that there was a cause-and effect relationship between the two; that it was impossible to maintain a loyal customer base without a base of loyal employees; and that the best employees prefer to work for companies that deliver the kind of superior value that builds customer loyalty. We then found that our concern with employee loyalty entangled us in the thorny issue of investor loyalty, because it is very hard to earn the loyalty of employees if

the owners of the business are short-sighted and unreliable. Finally, predictably, we found that investor loyalty was heavily dependent on customer and employee loyalty, and we understood that we were dealing not with tactical issues but with a strategic system.

We came to understand that business loyalty has three dimensions – customer loyalty, employee loyalty, and investor loyalty – and that they are far more powerful, far reaching, and interdependent than we had anticipated or imagined. Loyalty has implications that extend into every corner of every business system that seeks the benefit of steady customers. Tempting as it may be to delegate customer retention to marketing, what can marketing do to stem the outflow of employees and investors? It is unrealistic to expect any single function to achieve fundamental improvement. Retention is not simply one more operating statistic, it is the central gauge that integrates all the dimensions of a business and measures how well the firm is creating value for its customers.

Here we strike bedrock, because creating value for customers is the foundation of every successful business system. Creating value for customers builds loyalty, and loyalty in turn builds growth, profit, and more value. While profit has always occupied center stage in conventional thinking about business systems, profit is not primary. Profit is indispensable, of course, but it is nevertheless a consequence of value creation, which, along with loyalty, makes up the real heart of any successful, long-lasting business institution. The more consulting work we've done over the years, the more clearly we've seen that the only way to achieve sustainable improvements in performance is by building sustainable



improvements in value creation and loyalty.

Stemming the customer exodus is not simply a matter of marketing; it demands a reconsideration of core strategy and operating principles. Loyalty provides the unifying framework that enables an executive team to modify and integrate corporate strategy and operating practices in ways that will better serve the long-term interests of customers, employees, and investors. Even more important, perhaps, the loyalty framework permits a set of practical measures that executives can use to manage the company's value creation process, the upstream source of all profits and growth.

Accounting – Loyalty's Public Enemy Number One

Today's accounting systems often mask the fact, but inventories of experienced customers, employees, and investors are a company's most valuable assets. Their combined knowledge and experience comprise a firm's entire intellectual capital. Yet these invaluable assets are vanishing from corporate balance sheets at an alarming rate, decimating growth and earnings potential as they go. In a typical company today, customers are defecting at the rate of 10 to 30 percent per year; employee turnover rates of 15 to 25 percent are common; and average annual investor churn now exceeds 50 percent per year. How can any manager be expected to grow a profitable business when 20 to 50 percent of the company's most valuable inventory vanishes without a trace each year? It's a nearly impossible challenge.

A few companies – we'll call them loyalty leaders – have decided to forgo this challenge by plugging the leaks in their balance sheets. These firms have discovered how to acquire the long-term loyalty of customers, employees, and investors and so have changed the fundamental economics of

their businesses. While competitors struggle to generate growth and cash flow, these companies thrive.

How do they do it? To begin with, loyalty leaders avoid snapshot accounting. The business pictures they study are time exposures. Second, they see people as assets rather than expenses and they expect those assets to pay returns over a period of many years. Loyalty leaders choose human assets carefully, then find ways to extend their productive lifetimes and increase their value. Indeed, loyalty leaders engineer all their business systems to make their human inventories permanent. They view asset defections as unacceptable value-destroying failures, and they work constantly to eradicate them.

By diligently improving value and reducing asset defections, loyalty leaders have lowered their inventory losses to a mere trickle, and their resulting performance has been astonishing. By decreasing defection rates in all three groups – customers, employees, and investors – they have achieved prodigious growth in profits and cash generation. They have discovered that human capital unlike most other assets does not depreciate over time. Like good wine, it actually improves with age.

Reducing inventory losses is no easy matter, but there is a secret to success. You cannot control a human inventory, which of course has a mind of its own, so you must earn its 'loyalty. People will invest their time and money loyally only if they believe that their contributions to your company will yield superior returns over time. The secret is therefore to select these human beings carefully, then teach them how to contribute and receive value from your business system – or better yet, give them incentives to learn these lessons for themselves. The key to decreasing inventory losses and growing profits is to manage a virtuous cycle of loyalty, learning, and value creation.

We came to understand that business loyalty has three dimensions - customer loyalty, employee loyalty, and investor loyalty - and that they are far more powerful, far reaching, and interdependent than we had anticipated or imagined.

Most managers simply don't realize how much value the loyalty of human assets creates. They are used to husbanding more traditional types of inventory. What would a car dealer do, for example, if he discovered that a brand new stereo system was missing from his parts inventory? He would probably run the dealership upside down. And what would he do if he lost a loyal customer? Most would shrug their shoulders. Yet the probable annuity value of that customer's purchases exceeds the cost of the stereo ten times over.

Loyalty –The Litmus Test of Corporate Performance

The zero defections approach to human inventory management implies an altered theory of business. The current approach might be called the profit theory. All business skills and competencies stand or fall on their capacity to contribute to profits. The new theory sees the fundamental mission of a business not as profit, but as value creation. It sees profit as a vital consequence of value creation – a means rather than an end, a result as opposed to a purpose. In addition, the value-creation theory of business helps to unify the disparate perspectives of investors, accountants, marketers, and human resource managers.

The new theory also makes loyalty a truer litmus test of corporate performance than profits ever were or could be. Profits alone are an unreliable measure because it is possible to raise reported short-term earnings by liquidating human capital. Pay cuts and price increases can boost earnings, but they have a negative effect on employees and customer loyalty and so shorten the duration

and worth of those assets. Since the only way a business can retain customer and employee loyalty is by delivering superior value, high loyalty is a certain sign of solid value creation.

It may sound as if loyalty and profits are in conflict. If business were a zero-sum game, that would be true; any given pay increase or price reduction would be a tradeoff against increased profits. Investors could make more money only at the expense of customers and employees, and vice versa. But business is not a zero-sum game, and the putative conflict is a misunderstanding. To resolve it, we have to break out the snapshot mentality and recognize that there are two kinds of profit. Call the first kind virtuous: it's the result of creating value, sharing it, and building the assets of the business. The word for the other kind is destructive. Destructive profit does not come from value creation and value sharing; it comes from exploiting assets, from selling a business's true balance sheet. This is the kind of profit that justifies terms like profiteering, gives business a black eye, and actually shortens the life expectancies of the businesses that seek it.

When profit is a company's goal and purpose, virtuous and destructive profits serve equally well. But once you see profit as a means to, and a consequence of, the sustained creation of value, then only virtuous profit will do. Unfortunately, it's not always easy to tell them apart. For example accounting reports won't help, because on a profit-and-loss statement, the two look identical... Briefly, the best way to differentiate between good profits and bad is by measuring the loyalty of your most valuable assets: your customers, employees, and investors. If defection rates are low and decreasing, then profits are virtuous. If not,



you are probably liquidating your balance sheet – and destroying long-term value.

New Assumptions

There is plenty of evidence that something about the current business paradigm is wrong. For example, the good old solid and dependable advantages of market share, cost position, and service quality no longer guarantee success. General Motors, instead of reaping the spoils of market share leadership, is struggling to pull itself out of a downward spiral. A low cost manufacturer like Caterpillar suddenly finds itself at a cost disadvantage in key market. A service-quality blue chip like Delta Airlines is down graded to junk bond status. None of our received business wisdom seems as constant as it once did. Companies like Wang and IBM are profiled as case studies of excellence one day and as management turnarounds the next. The nation's front pages trumpet the Baldrige Award as the competitive standard in the crusade to reassert American quality leadership; then a Baldrige winner files for bankruptcy, and the year's awards are hidden on the fifth page of The Wall Street Journal.

And how the solutions proliferate! Total quality management was once a magic bullet; now we're to shift that energy to the reengineering of all our core business processes. A professor announces that empowered learning organizations are the key; weeks later another professor finds that strong leadership is what really counts. On Monday, market share and core competence are the essential strategic assets; by Friday they take a back seat to time, the new competitive frontier. Business thinkers careen from guardrail to guardrail. Is business really so complicated? Must business success be so fragile and transitory?

Or is it just that management science is still

in its infancy, and we don't yet understand the fundamental laws that govern business systems? Before Copernicus and Kepler, people thought the sun revolved around the earth. Today in business, we are satisfied that success and survival revolve around profit. Maybe our profit-centered world is as skewed and counterproductive as the concept of an earth-centered universe. That is not to say that profit doesn't matter. Putting the earth in its proper relation to the sun didn't make the earth less important, or the sun more so. What it did do was make sense of the mechanics. Profit does not have to occupy the center of the business solar system in order to be indispensable... Today's layoffs, reengineerings, and restructurings may be our generation's version of Ptolemaic astronomy. Until we reach a better understanding of cause and effect in business, we seem doomed to speculation, confusion, and inconsistency.

One of the more important arguments this book will make, mostly by implication, is that the practice of carefully selecting customers, employees, and investors and then working hard to retain them – in a word, loyalty-based management – represents precisely the kind of objective, scientific insight into the fundamental laws governing business systems that we have been lacking. Certainly the success loyalty leaders have encountered, and in some cases maintained over decades, tends to support this hypothesis...

The New Model

The implicit business model behind most present-day strategic plans and budgeting procedures begins with a profit target and works backward to arrive at required revenue growth and cost reduction. We have spent some ten years studying loyalty leaders and their business systems, and what we have learned has radically altered our view of business economics...

By decreasing defection rates in all three groups - customers, employees, and investors - loyalty leaders have achieved prodigious growth in profits and cash generation. They have discovered that human capital unlike most other assets does not depreciate over time. Like good wine, it actually improves with age.

the creation of value for the customers, a process that lies at the core of all successful enterprises. Value creation generates the energy that holds these businesses together, and their very existence depends on it. The physics that governs the interrelationships and energy states of a business system's elementary particles – its customers, employees, and investors – we call the forces of loyalty. Because of the linkages between loyalty, value, and profits, these forces are measurable in cash flow terms. Loyalty is inextricably linked to the creation of value as both a cause and an effect. As an effect, loyalty reliably measures whether or not the company has delivered superior value: Customers either come back for more or they go elsewhere. As a cause, loyalty initiates a series of economic effects that cascade through the business system, as follows:

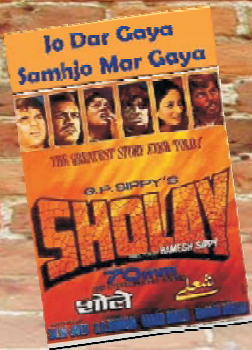
1. Revenues and market share grow as the best customers are swept into the company's business, building repeat sales and referrals. Because the firm's value proposition is strong, it can afford to be more selective in new customer acquisition and to concentrate its investment on the most profitable and potentially loyal prospects, further stimulating sustainable growth.
2. Sustainable growth enables the firm to attract and retain the best employees. Consistent delivery of superior value to customers increases employees' loyalty by giving them pride and satisfaction in their work. Furthermore, as long-term employees get to know their long-term customers, they learn how to deliver still more value, which further reinforces both customer and employee loyalty.
3. Loyal long-term employees learn on the

job how to reduce costs and improve quality, which further enriches the customer value proposition and generates superior productivity. The company can then use this productivity surplus to fund superior compensation and better tools and training, which further reinforce employee productivity, compensation growth, and loyalty.

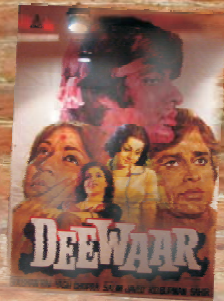
4. Spiraling productivity coupled with the increased efficiency of dealing with loyal customers generates the kind of cost advantage that is very difficult for competitors to match. Sustainable cost advantage coupled with steady growth in the number of loyal customers generates the kind of profits that are very appealing to investors, which makes it easier for the firm to attract and retain the right investors.
5. Loyal investors behave like partners. They stabilize the system, lower the cost of capital, and ensure that appropriate cash is put back into the business to fund investments that will increase the company's value-creation potential.

Profits are not central to this new model, but they are nevertheless critically important, not just for their own sake but also because they allow the company to improve its value creation, and because they provide an incentive for employees, customers, and investors to remain loyal. Still, the source of all cash flow, including profit, is the spiraling pool of value that springs from the creation of superior value for customers.

— Excerpted from
Frederick Reichheld's
The Loyalty Effect



Life's lessons from Salim-Javed scripts



VOICES



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If the corporate world is going gaga about management lessons from our Mumbai dabbawalas then why not peep into some wisdom that is available in the same city – from Bollywood? And where better can we gather it, than from the screenplays of the film writer duo, Salim-Javed?

I feel many of their ideas can be applied to today's business environment and professional life. One can take some hard-hitting lessons from their screenplays. A film buff like me has found many gritty ideas in them.

In their iconic screenplays Salim-Javed created some ever lasting characters and situations in Hindi cinema. They have today become part of our popular culture, the language we speak, its euphemisms and colloquial flavour.

Sholay's evergreen status is in a large measure due to the magic of their script. Jo dar gaya samjho mar gaya (you are scared and you are dead): who can forget Gabbar Singh's words? Written 30 years ago, won't they always remain relevant? Our mantras for success begin there – be bold and courageous.

Hum kaam sirf ek cheez ke liye karte hai; aur wo hai paisa (we work for one thing, and that's money) is a line that probably anticipated a new breed of India's young professionals and their concerns. It was in sync with the India of those days where one had limited avenues for making money. Even today, the line offers the first level of motivation for any ordinary person beginning a new venture.

'Aasan kamon ke itne paise nahin milte..Kaam jo main chahu, keemat jo tum chaho (Work as I want, and compensation as you ask for) – that's what Sanjeev Kumar's Thakur says to the Dharmendra-Bachchan team he hires for a job. When the going is tough, experts are called in to do a job and that's why they are paid well. Isn't it like today's corporates going all out to get the right person at mega salaries if they are sure about the output?

And the instruction given by Thakur is precise : tum mere liye Gabbar ko pakkadenge. Aur zinda. (You will get Gabbar

for me. Alive). You have outsourced the job and when they are going into unknown territory, always convey expectations precisely.

Once we know 'why we are doing what we are doing' everything else including paisa becomes secondary and one goes all out to achieve the goal. Understanding the reasons behind Thakur's wish for revenge, the same duo who once wanted to work only for money, go all out after Gabbar saying 'tum agar ek maroge to hum char marenge' (If you kill one, we will kill four).

Another recognizable theme in Salim-Javed screenplays is about 'delivering the promise'. In *Sholay*, when Dharmendra refuses to hand over the captive Gabbar saying he wants to avenge his friend's death, Thakur reminds him that it was his dead friend who had promised to deliver him alive.

There is the thread of wry humour, sometimes verbal, running through their stories. In *Majboor*, Amitabh is about to buy a fish for his aquarium. He asks how one is know the gender of the fish he is buying. Pat comes the reply....Bahut aaasan hai saab....jo tair rahe hai wo nar hai , aur jo tair rahi hai wo mada hai... Such earthy humour, so typical in many parts of India cannot be translated.

In a recent interview, when asked about portrayal of their characters Salim admitted that "creativity is nothing but the art of concealing the original source". If we are to take that comment to mean a close observation of people around us, no wonder that we find it so easy to appreciate what we see on the screen.

Dignity of work and self esteem are recurring themes in the lives of Salim Javed's characters. In *Deewar*, Amitabh Bachchan's 'Mein aaj bhi pheke hue paise nahi uthata' (I do not pick up money thrown at me) is one of the most remembered lines in the Hindi film industry. Irrespective of the nature or place of work, doesn't everyone vie for such basic respect?



In the happy city of Hangzhou

It was Gudi Padva –the Maharashtra new year – when I landed the first time in China in Hangzhou on an official trip from my base in Kuala Lumpur. Of the many surprises that came my way, the first was the weather. Outside the aircraft, it was 5 degree Celsius, freezing cold. That was the lowest temperature I had ever encountered.

I would like to tell you about those three wonderful days of my life I spent in this beautiful Chinese city, the capital of Zhejiang province. Usually, when it comes to China, we hear everybody talking about the country's focus on infrastructure development and economic growth. But here, in this city, I found some balance. Even better, I was told by friends there that China's current focus is on health and education. They shared a Chinese saying – if you are planning for a year, sow rice; if you are planning for a decade, plant trees; if you are planning for a lifetime, educate people. Maybe they went too far in one direction, but now the nation itself could soon find its balance. In the pleasant and soothing air of Hangzhou, which many Chinese consider their happiest city, I found it easier to think of options and different ways of life. Naturally, it also brought back thoughts of similar concerns in our own country.

At Hangzhou I had to test out to see for myself what was told over dinner by the local people. So with Siow, our business partner from Malaysia, I walked nearly 20 kilometres in this scenic city spread out before the West Lake. All around one could see thousands of cycles provided to the people. Swipe your bank card which works as a deposit, take a cycle from any of the cycle stands and go wherever you want. Later, once you reach the destination, you can leave the cycle in one of the parking stations and re-swipe the card. It is a wonderful system – healthy, saves fuel, avoids traffic jams. I don't see any reason why it can't work in Pune or our other cities.

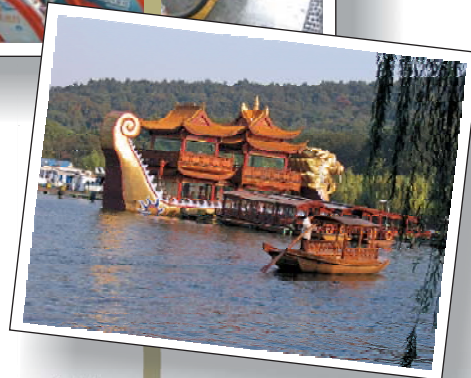
The city has many book shops reflecting the Chinese saying that “books hold a house of gold.” We visited six of them, ten times bigger than the big Crossword outlets we

have in India. As reported widely, the young generation is indeed catching up on English. Jim and Chue, sales people from the turbine company we were dealing with, talk fluent English. They told us that the company gives them special incentives to learn English. Like any other non-English speaking people, they have difficulties in saying certain words. But they seem to know the importance of not being “afraid of growing slowly, be afraid only of standing still.”

I have become a fan of Chinese food – West lake grass soup, bamboo shoots, fish and pork preparations, Hangzhou's special fruit dishes. In Hangzhou I found them serving food with smiles. Some of the typical Chinese sayings reflect this spirit: don't open shop unless you like to smile; the way you cut your meat reflects the way you live. But anyone wanting to travel extensively in China might as well learn to use chopsticks or carry forks and spoons.

The Chinese government is very strict about their one-child policy. A government worker can be sacked, he or she has a second child. I felt sad for them, especially when I am going to be a father, second time. However, I did find similarities between India and China – blaring horns on the roads, hurrying people, surging property prices. The malls have not yet taken over this city. Like us they talk loudly, laugh a lot. And when the doctor says “it's good news”, it's a boy.

Back in Kuala Lumpur, I still remember the autumn charms of that beautiful city, its memorable West Lake and old Chinese tiled houses. The time I spent there are like flowers showered on me. By sharing my impressions of this serene city, I hope the fragrance of the flowers will stay with me.



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Reaching beyond Yourself



When I first read the email circular about 'Come-Alive 2010', a hundred questions crossed my mind. The main one was how my hobby or passion could make a difference to someone? I didn't know that I was in for an experience of a life time.

So came Saturday, the 2nd of October, and I set out to explore this 'one-of-a-kind event' with a cousin. I reached the Lakshmi Kripa Hall, Sadashiv peth, and was greeted with the vibrancy and laughter of children and adults, including some colleagues from Thermax. A gentleman explained the essence of the event through this quote, "Do not ask what the world needs, ask yourself what makes you come alive and then do it. Because what the world needs are people who have come alive."

Come-Alive 2010 was an event organised by the Akanksha Foundation and Teach for India. Gandhi's 141st birth anniversary was being commemorated and the event was part of the 'Joy of Giving week'. With people with whom you shared interests, we were to come alive doing things we really loved doing. We formed groups around themes like singing & dancing, art & craft, street plays, photography and random acts of kindness. I toyed around with photography and craft ideas but eventually chose the 'cooking & eating' group. It didn't take long to realise that I had chosen well.

After introductions, our group of 10 got down to serious work. I had to admit that I was no great cook and to my surprise, neither were the others. We tossed around ideas about how we could do justice to the theme and decided to rustle up a snack for people of a nearby slum.

Minutes later, we headed to the Kashewadi slum in Bhavani Peth. Many happy faces greeted us on our arrival while others threw questioning glances. We visited a family whose children study at one of the local

Akanksha centres and who graciously welcomed us into their humble home.

Since it was close to tea-time, we decided to toss-up a 'dry bhel'. Making bhel meant no gas, minimal ingredients and a quick treat...so much for innovation!

A few members set out purchasing puffed rice, farsan, onions, tomatoes, coriander leaves, lemons while the rest of us simply hung around with the kids. Looking at me click photographs, did they think their pictures would appear on the front page of the Times of India? "Didi, mera bhi picture nikaliye", they pleaded.

The group embraced the Herculean task of chopping onions at the cost of lots of tears. Some of us began preparing paper-cones to serve the bhel. The children's faces lit up when we signaled them to join us. News about free bhel spread like wild fire and in minutes we had kids from neighbouring slums thronging for their share.

The queue seemed to stretch endlessly. By the time we tossed the second lot, we had perfected the art of dexterously filling the cones and passing it down a human conveyor belt. The scene outside was memorable with happy children munching on the bhel. Surely, this treat was nothing new to them. Strangers making it in their midst made it special.

While our group sipped tea in this modest room, no, this home, we contemplated on the hour gone by. We not only touched a few other lives but also added a whole lot of meaning to our own.

It reminds me of the John Clements song :

*Somebody did a golden deed;
Somebody proved a friend in need;*

*Somebody sang a beautiful song;
Somebody smiled the whole day long;*

*Somebody thought, 'Tis sweet to live;
Somebody said, I'm glad to give;*

*Somebody fought a valiant fight;
Somebody lived to shield the right;*

Was that somebody you?



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Remembering Raghu

"The old order changeth, yielding place to new..."

I came to know that our dear Raghuram who had served Rohinton for 26 years died at his ashram. He was 76, which in today's time would be considered too early for death. But I do feel he could not have had a better death. Many of his family members were with him at the Ashram at the time of his death. Surrounded by them, he passed away, while at prayer.

Raghu retired a year after Rohinton passed away and after his retirement, he spent most of his time at the ashram in Northern Kerala, involved in social work activities. Whenever he came to Pune, he would meet me and sometimes seek some financial help from me for his social work.

I have fond memories of Raghu who served Rohinton loyally, diligently and with affection. Raghu was at the office at the dot of 9.30 a.m. and stayed with Rohinton till 9 or 10 at night and I have never heard him complain.

Many years ago, Raghu and I attended a two day meditation programme. We were to sit on the floor and I found that a little difficult. I was stretching my leg and one of the devotees asked me not to do so as I showed disrespect to the guru. In my typical rebellious manner, I said that I did not mean any disrespect but if the guru feels so, let her tell me. I obviously felt a little uncomfortable with my reaction and turned to Raghu and asked for his opinion. Raghu in his diplomatic manner said, "I agree with you it is not right or wrong, but it is nice to do in Rome as the Romans do." I thought a lot over his remark and realized that for me to rebel is the easiest thing but wondered if I could learn to comply and follow all the rituals for the next two days. Earlier, I could not bear the thought of bowing and surrendering to a guru. But, after this conversation I decided to prostrate in front of the guru and after a few times it lost its discomfort and to my surprise at every given opportunity I was prostrating. To break free from one's pet beliefs and rigidity is liberating, and Raghu helped me to do it.

In those days at office, Raghu used to go through the Trust applications, many of them requests for help. He could be quite rigid in his stand and wanted to go strictly as per rules and did not favour the idea of making any changes. Coming from an HR background, I did not find it wrong to treat rules with flexibility. Like Dr. Joshi, Raghu was not a great fan of the HR function. Though he was not very vociferous in his criticism, if you knew Raghu well, you realized he did not think much of HR.

Raghu was outstanding in his secretarial work, and meticulously prepared each document. You could blindly sign what he had written without going over it.

Raghu had imbibed from Rohinton the quality of going to the essence of any matter and not padding it with trivial details. In 1996, the year Rohinton died, when the divisions sent the inputs for the Annual Report's Management Discussion and Analysis section, he pruned it so thoroughly that Ahmed was amazed. It was as if it had been readied for Rohinton to read.

In his personal life, he took very good care of his widowed sister and kept her with the family all her life. He had very limited needs and I would say was not very ambitious for himself. But he gave his children a very good education and they have done well for themselves.

One of his sons got a job in the US and Raghu went abroad for the first time. When he returned, I thought he would be very enthusiastic but in his typical detached way, he said that it was not different from any other place. Raghu represents a world which is fast fading. He was an upright man who believed in simple living and doing what is best for his family and the organization he worked for.

Let me take this opportunity to offer our condolences to Raghu's bereaved family.

Anu Aga

I and my mirror can go on for ever...



Narcissists are in the process of becoming an endangered species. They will still be around, but they will be ignored.

The fifth edition of the Diagnostic and Statistical Manual of Mental Disorders in the USA has eliminated narcissistic personality disorder (NPD) from the 10 personality disorders that are listed in the current edition.

Our everyday picture of a narcissist is that of someone who is very self-involved – the conversation is always about them. However, the central requirement for NPD is a special kind of self-absorption: a

grandiose sense of self, a serious miscalculation of one's abilities and potential that is often accompanied by fantasies of greatness.

Many experts in the field are not happy about it. Harvard psychiatrist, Dr. John Gunderson, an old lion in the field of personality disorders says it showed how "unenlightened" the personality disorders committee is. "They have little appreciation for the damage they could be doing." He said the diagnosis is important in terms of organizing and planning treatment.

-The New York Times

SLICE OF LIFE

Laughter in the skies

Kulula Air is a low-cost South-African airline that doesn't take itself too seriously. Attendants try making announcements a bit more entertaining. Here are some examples:

From the pilot during his welcome message: "Kulula Airlines is pleased to announce that we have some of the best flight attendants in the industry. Unfortunately, none of them are on this flight!"

On a Kulula flight, (there is no assigned seating, you sit where you want) passengers were apparently having a hard time choosing, when a flight attendant announced, "People, people we're not picking out furniture here, find a seat and get in it!"

At the end of a trip: "Thank you for flying Kulula. We hope you enjoyed giving us the business as much as we enjoyed taking you for a ride."

(Source : www.southafrica.to)



And this Russian environmental poster that reminds us that a tree is not just a tree.

- From Design Squish, a blog on sustainability

'TIS THE SEASON TO BE JOLLY

The festive season has cast its happy glow and with it, fun and excitement at the many Thermax workplaces. Enactment of a Mumbaiiya version of the Ramleela; women storming the traditionally male bastion of wearing phetas; dapper looking men in dhotis; diya and cubicle designing contests; and handmade desk lanterns and cards for friends and family, were a few of the activities that spread some cheer around.



MAKING WATER WORK



Thermax's systems are integral to industrial management of water – from pretreatment of inlet water to the cleaning up of effluent and recycling for process needs. Power, textile, steel, petrochemical, chemical, pharma and dairy units, among others, use Thermax systems for improved water productivity and to meet environmental regulations.

