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May 14, 2023 ₹200

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JYOTIRADITYA SCINDIA

A BT-PwC SURVEY

INDIA'S BEST CEOs

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CHAIRMAN, TATA SONS

BUSINESS ICON OF THE YEAR

DL (DS)-04/MP/2022-23-24, RNI No. 53481/92 ■ FARIDABAD/145/2023-25 BPC Faridabad ■ Date of posting: Tue, Wed & Thursday

SPECIAL ISSUE

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May 14, 2023

On Stands | Online | On Air

A BT-PwC SURVEY

INDIA'S BEST CEOs

NANDAN NILEKANI

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SURESH NARAYANAN
CHAIRMAN AND MANAGING DIRECTOR, NESTLÉ INDIA

BEST CEO-FMCG

FROM THE EDITOR

Leadership in Testing Times

Being a CEO in these times is no walk in the park. Today's global and domestic economic reality throws several challenges for the chief executive to deal with, and unless the leader has a vision and gets the organisation—down to the last guy on the field—to follow it, winning is going to be a distant dream. Consider the issues the CEO has to navigate today—rising inflation, interest rate changes, supply chain disruptions and geopolitical tensions. And these are just some of them. Alongside, there are also changes in regulations and a very long list of compliances they have to contend with. That's precisely why the latest *BT*-PwC India's Best CEOs ranking is so important. The 20 leaders who are winners have not just led their organisations—of various sizes and sectors—with aplomb, they have done so keeping the interests of shareholders, customers and employees firmly in mind. The winners were selected by a high-powered jury chaired by Piramal Group Chairman Ajay Piramal, based on data validated by PwC India.

Even as these leaders navigate choppy waters, the common theme is that of enormous confidence in the India story. India, they know, is now firmly on the path to claiming centre stage on the global economic landscape, and they are keen to be part of that narrative. As the India highlights of the 26th PwC Annual Global CEO Survey show, 57 per cent of the CEOs surveyed are optimistic about India's economic growth over the next 12 months. And they know that in these rapidly changing times, their organisations must transform and constantly innovate to emerge winners. Consequently, 60 per cent of the Indian firms in the survey are currently innovating new, climate-friendly products or processes. If Indian CEOs continue on the path of transformation, digitalisation and innovation, India will be an unstoppable economic power in the days to come.

Speaking of leaders, our Business Icon of the Year, Natarajan Chandrasekaran, Chairman of the Tata group, epitomises the power of transformation. Having taken charge of the iconic and storied House of Tata during turbulent times, Chandra, as he prefers to be called, is rapidly transforming the $128-billion group into a nimble, responsive organisation that is creating new businesses even as it re-engineers the older ones for the new age. As Chandra tells us eloquently: "Without evolution, traditions die; and without traditions, evolution is meaningless." Another iconic business leader, who is our Lifetime Achievement Award winner this year, is the peerless Nandan Nilekani, who has made a mark in every single role he has played in the business world, from leading Infosys, first as CEO and now as Chairman, and then heading the Unique Identification Authority of India, which rolled out the now ubiquitous Aadhaar ID. Nilekani, who is truly an agent of change and has played critical roles in other key national digital initiatives, tells us succinctly: "I'm a plumber. I fix things." India needs Nilekani to continue playing this role for many more years. **BT**

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INDIA'S BEST CEOs

FOCUS / An IMPACT Feature

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GOING GREAT GUNS

INDIA'S DEFENCE EXPORTS HAVE INCREASED BY 24 PER CENT YEAR-ON-YEAR TO REACH AN ALL-TIME HIGH IN FY23. THIS REFLECTS THE COUNTRY'S PROGRESS IN BECOMING A DEFENCE PRODUCTION HUB. HERE ARE SOME KEY NUMBERS:

947
PER CENT
The surge in India's defence exports in the past six years—from ₹1,521 crore in FY17 to ₹15,920 crore in FY23

₹40,000
CRORE
The target for India's annual defence exports—set by Union Defence Minister Rajnath Singh—for 2025

85
The number of countries India is now exporting its defence equipment to

| THE POINT |

FROM THE COCKPIT

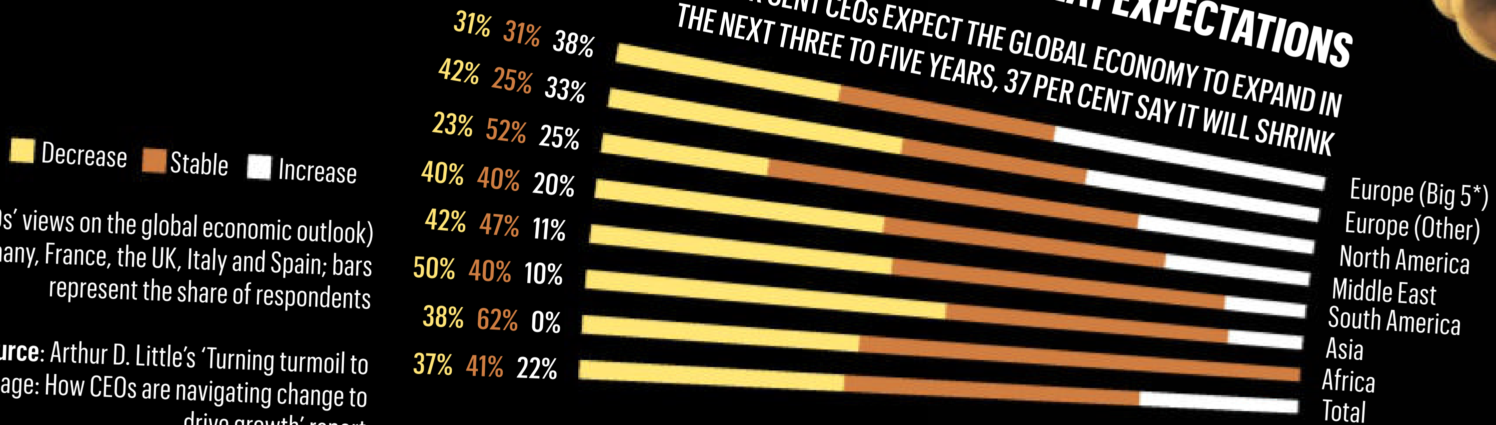
Macroeconomic uncertainties, stubborn inflation leading to several hikes in interest rates, and the Russia-Ukraine war have created a challenging environment for chief executive officers worldwide. As they strive to keep their balance sheets healthy, CEOs have adopted many new strategies. A few surveys show what is on their minds as they face down these impediments. Here's a peek into their thoughts:

By **RAHUL OBEROI**

Graphics by **RAJ VERMA**

NOT SO GREAT EXPECTATIONS

WHILE 22 PER CENT CEOs EXPECT THE GLOBAL ECONOMY TO EXPAND IN THE NEXT THREE TO FIVE YEARS, 37 PER CENT SAY IT WILL SHRINK

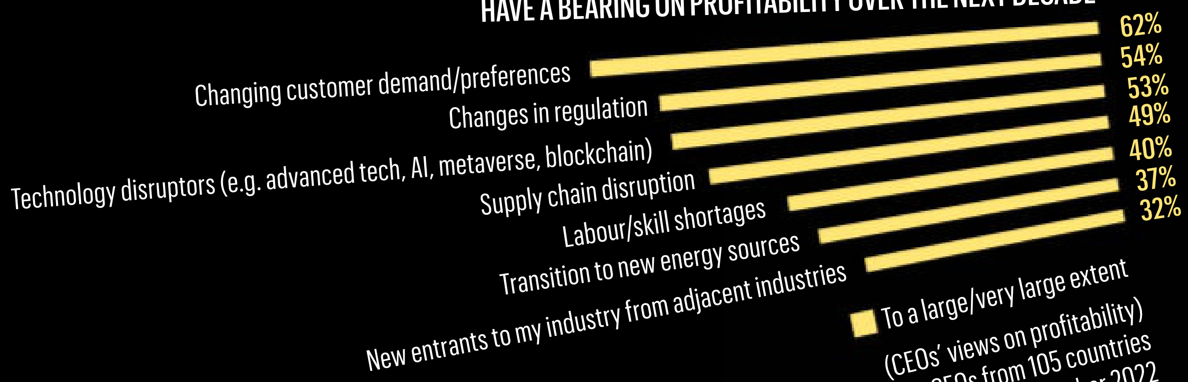


(CEOs' views on the global economic outlook)
*Germany, France, the UK, Italy and Spain; bars represent the share of respondents

Source: Arthur D. Little's 'Turning turmoil to advantage: How CEOs are navigating change to drive growth' report

MASS IMPACT

A MAJORITY OF INDIAN CEOs BELIEVE CHANGING CUSTOMER DEMAND WILL HAVE A BEARING ON PROFITABILITY OVER THE NEXT DECADE



(CEOs' views on profitability)
Bars represent share of respondents; the survey covered 4,410 CEOs from 105 countries and territories between October-November 2022

Source: 'PwC: 26th Annual Global CEO Survey'

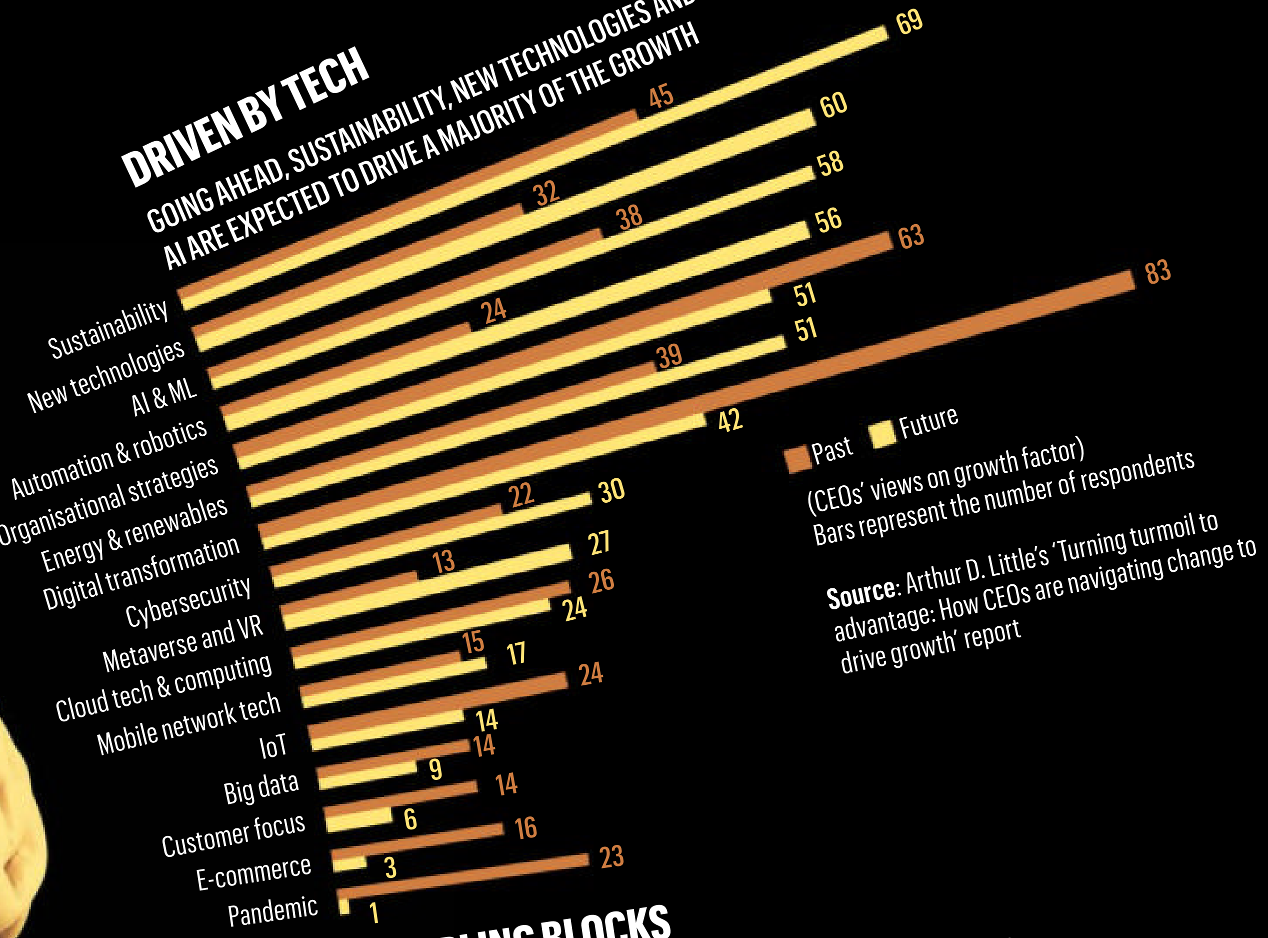
33 per cent
OF THE INDIAN CEOs SURVEYED HAD AN OPTIMISTIC VIEW ABOUT THE COUNTRY'S ECONOMIC OUTLOOK OVER THE NEXT 3-5 YEARS, PER ARTHUR D. LITTLE

64 per cent
OF BOARDS EXPECT TO INCREASE THEIR RISK APPETITE IN 2023-2024, ACCORDING TO GARTNER

48 per cent
OF BOARDS SEE RECESSION AND ECONOMIC UNCERTAINTY AS THE BIGGEST CONSTRAINTS TO GROWTH IN 2023-24, PER GARTNER

DRIVEN BY TECH

GOING AHEAD, SUSTAINABILITY, NEW TECHNOLOGIES AND AI ARE EXPECTED TO DRIVE A MAJORITY OF THE GROWTH

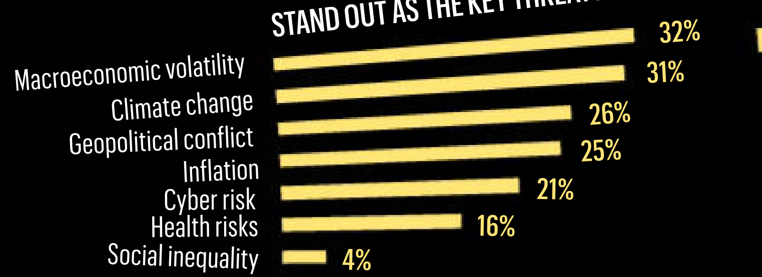


(CEOs' views on growth factor)
Bars represent the number of respondents

Source: Arthur D. Little's 'Turning turmoil to advantage: How CEOs are navigating change to drive growth' report

STUMBLING BLOCKS

MACROECONOMIC VOLATILITY, INFLATION AND CLIMATE CHANGE STAND OUT AS THE KEY THREATS IN THE NEXT FIVE YEARS



(CEOs' views on future headwinds)
Bars represent share of respondents; the survey covered 4,410 CEOs from 105 countries and territories between October-November 2022

Source: 'PwC: 26th Annual Global CEO Survey'

PRIMARY FOCUS

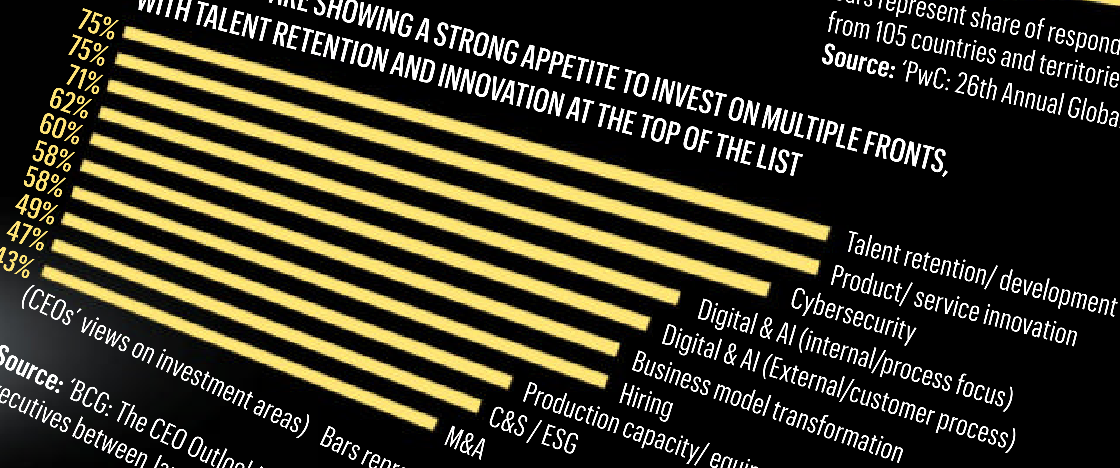
REDUCING OPERATING COSTS AND DIVERSIFYING PRODUCTS AND SERVICES ARE TOP PRIORITIES FOR CEOs IN INDIA

Bars represent share of respondents; the survey covered 4,410 CEOs from 105 countries and territories between October-November 2022

Source: 'PwC: 26th Annual Global CEO Survey'

WAR FOR TALENT

COMPANIES ARE SHOWING A STRONG APPETITE TO INVEST ON MULTIPLE FRONTS, WITH TALENT RETENTION AND INNOVATION AT THE TOP OF THE LIST



(CEOs' views on investment areas) Bars represent share of respondents

Source: 'BCG: The CEO Outlook'; survey of 759 global C-suite executives between January 30-February 21, 2023

NAMASTE INDIA Apple CEO Tim Cook at the opening of the Apple Store in Mumbai's BKC

Q&A WITH
AAYUSH AILAWADI
TECHNOLOGY EDITOR

'INDIA IS AT A TIPPING POINT'

Business Today caught up with Tim Cook, CEO of Apple Inc., at the opening of the company's retail store in Mumbai

▶▶▶

On India's moment for Apple: India is at a tipping point. And it feels so great to be here. You can just feel the vibrancy, the dynamism, the feeling that anything here is possible. And it's so great to be a part of it.

▶▶▶

On Apple's approach for India: Every place is unique. India has its own journey and culture, and so you really have to understand the local culture. We're trying to bring our best to India. We brought the online store a few years ago, we have now brought the retail store [in Mumbai and Delhi]. We have manufacturing here. We have an extraordinary developer community here. We have musicians. It's great to interface with the artists and creators here. So, there's a huge Apple community in India.

▶▶▶

On artificial intelligence (AI): I'm very bullish on AI. It's at the root of many of our products today, like the Apple Watch. If you run an ECG, you're using AI and ML. If you fall, and the watch calls your contact, it's using AI. And so we use AI across all our products. It is a profound technology.

▶▶▶

On the one Apple product he doesn't leave home without: That's like asking you your favorite child or your favorite parent. When I travel, I've got my phone in my pocket. I've got my watch on my wrist. I have an iPad and a Mac in my bag. And so I love them all.

▶▶▶

On Mumbai's famous vada pao vs the New York hot dog: Oh, [there's] no comparison. No comparison [at all]. I'm for India all the way.

The Apple Store in Mumbai's BKC. This is the Cupertino-based tech giant's first company-owned retail outlet in India

ON NEW GROUND

Although present in India for a long time, Apple has finally made its retail foray. How will this affect its fortunes in the country?

BY **NIDHI SINGAL**

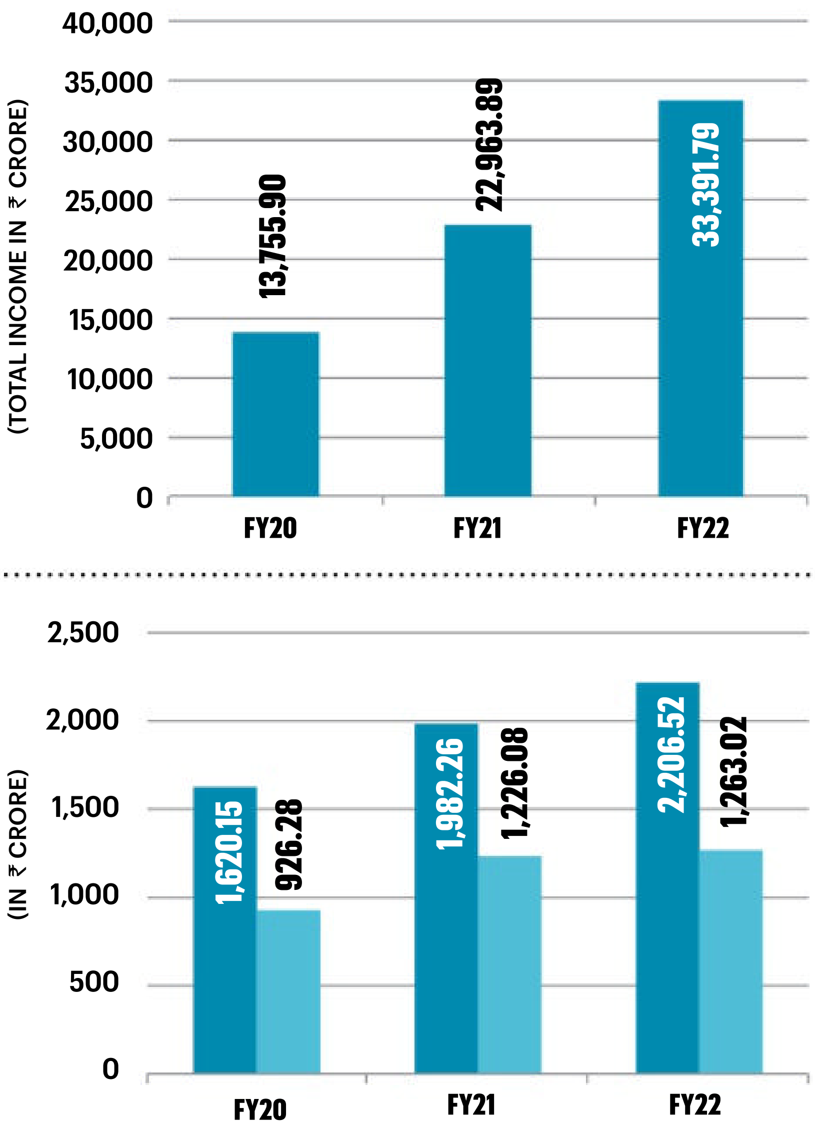
PHOTOS BY **MANDAR DEODHAR**

▶ **FINALLY, IT'S HERE.** Twenty-seven years after Apple entered India, 23 years since it opened its first retail store in the US and more than two years after Apple's online store was launched in the country, the physical Apple Store has reached Indian shores. On April 18, people lined up to click selfies with Apple CEO Tim Cook—who was in India with Senior Vice President of Retail + People Deirdre O'Brien—at the launch of the first store in Mumbai's Bandra-Kurla Complex (BKC). Two days after throwing open the doors of the BKC store—Apple's most sustainable company-owned store till date—the Cupertino-based tech giant welcomed people into its store in Delhi's Saket.

Apple's expansion into the retail space and the presence of Cook to inaugurate the stores reiterates the growing importance of India for the company. "I'm very bullish on India," Cook had said during a recent earnings call. And a day ahead of the Mumbai store's shutters going up, Cook had said, "India has such a beautiful culture and an incredible energy, and we're excited to build on our long-standing history—supporting our customers, investing in local communities, and working

ROBUST NUMBERS

Apple India has witnessed strong growth in recent years



FIGURES ARE ON A STANDALONE BASIS; SOURCE: PROWESS

together to build a better future with innovations that serve humanity."

The Apple Stores aren't just about retail expansion, though. They will further strengthen the overall experience of being in the Apple ecosystem. At these stores, consumers not only get an opportunity to touch, feel, explore and experience the devices, they can spend as much time as they want with the devices without having to worry about buying the hardware. Beyond hardware, these stores act as customer service touch points and a community centre for consumers. "Apple will be able to control the end-to-end user experience, and this will further take its brand image up one level. We have seen many stories around the world of consumers sharing positive purchase experiences from Apple-branded stores and India will be no different," says Prachir Singh, Senior Research Analyst at Counterpoint Research.

But why did Apple pick Mumbai and Delhi for its first two retail stores in the second-largest smartphone market in the world? According to Counterpoint Research's city level tracker for India, both Delhi and Mumbai have around 10 per cent market share for Apple's iPhones, with Delhi being slightly ahead. Experts believe these stores will boost iPhone adoption in the country. "We will see a similar trend going forward. Both of these cities are top markets for Apple and will be the market drivers for the brand," says Singh. Prabhu Ram, Head of Industry Intelligence Group at CyberMedia Research (CMR), agrees. "The launch of the new Apple flagship retail stores in Mumbai and Delhi, backed by aggressive sales initiatives and increased domestic manufacturing, will fuel Apple's growth momentum in the year ahead in a market that remains a crucial future growth driver for Apple." CMR estimates India's iPhone shipment figures to be 8 million in CY23.

In terms of overall market share, the company has grown its share of shipments to more than 4 per cent in 2022 from 1 per cent in 2019. This number could cross 5 per cent in 2023, says Counterpoint's Singh. Despite India being a price-sensitive market dominated by sales of smartphones below ₹20,000, since the iPhone is an aspirational product, it is likely to fuel further growth for Apple, say experts. Besides, on the back of Make in India, Apple has found the country to be a trusted partner in the global supply chain and has been expanding its production base in the country through its manufacturing partners Foxconn, Wistron and Pegatron.

Incidentally, this was Cook's second visit to India since he took over as CEO. And the Apple CEO had a packed schedule, meeting Reliance Industries Chairman Mukesh Ambani and Tata Sons Chairman N. Chandrasekaran in Mumbai. This was followed by a meeting with Prime Minister Narendra Modi in Delhi, where he also met Ashwini Vaishnaw, Union Minister of Railways, Communications, Electronics and Information Technology; and Rajeev Chandrasekhar, Minister of State of the Ministry of Electronics & IT (Meity).

Cook was also spotted with celebrities during his visit to Mumbai. A day before the Mumbai store opened its doors, he was seen engaging with actors Madhuri Dixit and Raveena Tandon and former cricketer Anil Kumble, among others. "Apple's narrative while telling the store story has been creativity, and all these [actors] are idols of creativity for us and the world. We may see them being engaged for activities at these stores anytime soon," says Faisal Kawoosa, Chief Analyst at Techarc, a technology analytics, research & consulting firm. "Apple will work strongly on community activities through these stores and these celebrities will be important and integral part of the engagements."

One thing is for sure. With ready access to Apple's products and engagement with store personnel who will also guide customers on how to switch to Apple, the tech giant looks set to expand its army of users in India. BT

@nidhisingal

| HEALTHCARE |

Dire Diagnosis

Dissatisfied with the revision of rates for services provided by private healthcare outlets to CGHS beneficiaries, industry players are asking the government to go the whole hog

BY **NEETU CHANDRA SHARMA**

UNHAPPY WITH THE government's revision of rates for services provided under the Central Government Health Scheme (CGHS), private healthcare players have demanded that the government consider revising the charges for diagnostics and surgical services as well, citing losses due to rising costs.

The move follows the Union health ministry's April 12 decision to revise the rates for consultations and treatment in private hospitals. For instance, the government has revised the OPD consultation fees from ₹150 to ₹350 and in-patient consultation fees from ₹300 to ₹350. It has also fixed ICU fees at ₹5,400, including accommodation for all ward entitlements, while rent for a general room stay stands revised to ₹1,500 from ₹1,000; rent for a stay in a semi-private ward is revised to ₹3,000 from ₹2,000; and the rent for a private room stay is revised to ₹4,500, from ₹3,000 earlier.

The demands, if taken into consideration by the government, will lead CGHS beneficiaries to pay more for tests and surgeries conducted in private hospitals. For context, the CGHS scheme serves as the nodal healthcare provider for approximately 4.2 million central government employees, pensioners and other beneficiary categories, as well as their dependents.

But dissatisfied with the partial revision, private players say that they are unable to recover the rising costs of medical care while treating CGHS patients, with testing and surgical procedures being the most expensive. "Surgical procedures are done at a hefty expense in private hospitals, the rates of which have not been revised. We have reached out to the Union health ministry demanding a revision in the procedure costs as well," says Dr Girdhar J. Gyani, Director General of Association of Healthcare Providers in India.

Agrees Dr Ashutosh Raghuvanshi, MD & CEO of Fortis Healthcare and President of NATHEALTH (Healthcare Federation of India). "CGHS rates were last fixed in 2014 and if we look at inflation, it is difficult for hospitals and labs to provide healthcare services at rates that were fixed almost 10 years ago," he says. Even diagnostics service providers are in a tizzy as the rates of some tests are very low, such as chest X-ray for ₹70; Ultrasound whole abdomen for ₹350; Twins antenatal ultrasound for ₹550, etc., say industry players.

"The private sector has requested the government to take a relook at the diagnostics prices as well. Nothing has changed for diagnostic rates, which are very low compared to market rates. A revision is direly needed to maintain financial viability of the diagnostics sector," says Dr Harsh Mahajan, Founder and Chief Radiologist of Mahajan Imaging & Labs, a diagnostic chain in Delhi. After all, caring for all should be the mantra. BT

@neetu_csharma

PHOTO BY PURUSHOTTAM DIWAKAR

ALL'S NOT WELL
Private players say that they are not able to recover the rising costs of medical care while treating CGHS patients

AVIATION

Your Ride in the Sky

No more the stuff of sci-fi blockbusters, flying taxis are set to take off in the next two years to permanently disrupt the global aviation scene

BY **MANISH PANT**

IMAGINE YOU ARE asked to travel for an emergency meeting during rush hour from Bandra-Kurla Complex (BKC) in Mumbai to an SEZ in Airoli (Navi Mumbai). Or there is a medical emergency at your home in West Delhi while you are out for work in Gurugram. In both situations, since the commute can take up to two hours in rush hour traffic, you can consider a helicopter ride to cut down on travel time. But, a chopper requires regulatory permissions and can be prohibitively expensive. Soon, you will have another option that is equally efficient and more economical—the electric vertical take-off and landing aircraft (eVTOL).

The US-based Vertical Flight Society, which has been working towards advancing vertical flight technologies since 1943, has identified more than 700 eVTOL designs from nearly 350 companies and innovators worldwide. Companies such as Airbus, Boeing, Eve Air Mobility (a subsidiary of Brazilian aircraft maker Embraer), Toyota and electric aerospace firm BETA Technologies are working on advanced prototypes to obtain certification from regulators such as the European Union Aviation Safety Association or the Federal Aviation Administration to launch them commercially.

THE CENTRAL GOVERNMENT IS ALREADY WORKING ON AN eVTOL POLICY IN CONSULTATION WITH ALL STAKEHOLDERS

After putting in place an enabling ecosystem for the local drone industry, India too is looking at becoming a hub of eVTOL manufacturing. "The concept of flying cars that we saw in [movies such as] *Blade Runner* and *Star Wars* while we were growing up is today a reality," Jyotiraditya Scindia, Minister of Civil Aviation, told an industry gathering in Bengaluru in March while referring to old Hollywood sci-fi cult classics. Extending an invitation to global firms, Scindia

said, "We are willing to become equal stakeholders with you; partners in progress in setting up what will be the seeds of a new transport revolution starting with India."

Like vertical take-off and landing (VTOL) drones, eVTOL aircraft use electric power to hover, fly, take off and land vertically. In the past few years, growing interest in exploring new vehicles for urban air mobility and advances in electric propulsion have led them to be considered a viable option. Current prototypes are available in the 6-10 seater configuration. Air-taxi maker Eve Air Mobility estimates that India, the world's fastest-growing aviation market, may need 4,000 electric craft by 2028.

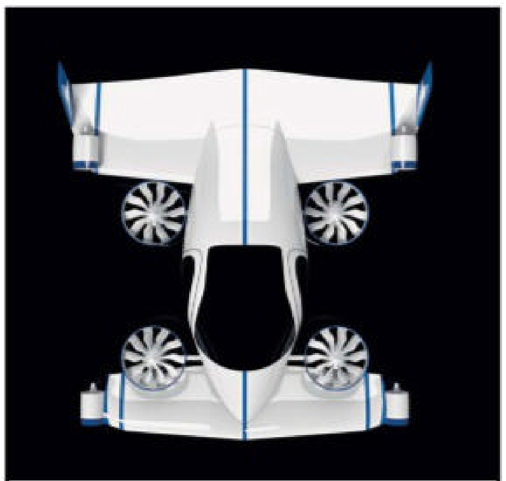
Stakeholders, meanwhile, swear by the upcoming technology. Other than economical fares, the cost of the electric craft will keep reducing as production gets scaled up. Since an electric craft—like an EV—is powered by batteries, its operational and maintenance costs will be much lower. "The economical fares will democratise the market for short-haul air mobility services. How much they will come down [by], one wouldn't know at this stage but over time, there would be a significant drop in passenger fares," says Amit Dutta, MD & Co-founder of Hunch Air Mobility, a JV between Hunch Ventures and BLADE Urban Air Mobility. "The other advantage of eVTOLs is that they make very little noise. Imagine, if you have 100 helicopters flying around in Bengaluru, the noise would be unbearable. Most importantly, as there are no carbon emissions, there is a huge upside in sustainability," he adds.

Also, the segment is expected to significantly disrupt the aviation space. "In the future, eVTOLs are going to spawn conventional take-off and landing of electric aircraft as well by accelerating changes like what has happened in the automobile industry," says Satyanarayanan R. Chakravarthy, Professor of Aerospace Engineering at IIT Madras and Co-founder of transport tech firm The ePlane Company. The progression will involve smaller electric aircraft making way for bigger aircraft seating up to 70 passengers, like the ATR turboprops. "That will bring down the cost of flying by at least 50 per cent. Going forward, if you were to stretch the game towards autonomous flying, you can bring down the cost of flying by up to 90 per cent," says Chakravarthy, who also co-founded the spacetech firm AgniKul Cosmos. The ePlane Co., which was incubated in 2017 at IIT Madras, is looking at providing aerial and delivery mobility through its craft. It has already test-flown a lab-scale prototype and is on course to do a full-scale prototype by the middle of this year.

The government is already working on an eVTOL policy in consultation with stakeholders. And if it wants the commercial roll-out to happen in the country by 2026, the policy will need to be announced in the next six months, experts tell *Business Today*. The framework is essential to build a robust ecosystem comprising vertiports, manufacturing facilities for high-density batteries and an efficient system of air traffic management to control conventional aircraft flying at 35,000 feet, eVTOLs at 2,000 feet and drones at 500 feet.

Meanwhile, to be among the first movers in the segment in the country, Hunch Air Mobility has proactively inked MoUs with four foreign firms—BETA Technologies, Eve Air, Jaunt Air Mobility and Skyports Infrastructure—for aircraft, battery charging infrastructure, urban air management systems and vertiports. "Many see the development of eVTOLs in the future, but it's actually closer than it appears," declares Hunch Air Mobility's Dutta. Fasten your seat belts, folks! **BT**

@manishpant22



VERTICAL GROWTH

- **Akin to vertical take-off and landing (VTOL) drones, eVTOL aircraft use electric power to hover, fly, take off and land vertically**
- **Over 350 companies and innovators all over the world are engaged in 700 eVTOL designs currently**
- **India is working with stakeholders to draft an enabling policy to create a robust ecosystem of support services and become an eVTOL manufacturing hub**
- **With 48 cities in India having a population of more than 1 million, eVTOLs could provide a viable option for urban mobility**
- **eVTOLs could potentially disrupt global aviation by cutting down on operational and maintenance costs as well as spawning the development of bigger aircraft**

ACCESSORIES

Getting Smart

Titan is aiming to more than double its revenue from watches to ₹10,000 crore by FY26, on the back of a massive jump in sales of smartwatches

BY **ARNAB DUTTA**

TITAN COMPANY, THE country's largest branded watches and jewellery maker, has adopted an aggressive strategy to transform its core business over the next three years. Titan—that has its roots in traditional watches and is a part of the salt-to software conglomerate Tata group—is increasingly betting on the relatively new smartwatch market to more than double its revenues from the watches business segment.

After diversifying into wide-ranging categories, from perfumes to sarees over the last decade, the Bengaluru-based company is intensifying its focus on the local smartwatch market that has been the playground of smaller domestic start-ups and global giants until recently. While it already had a wide portfolio of traditional watches serving all age groups and purposes, it was only after the pandemic that Titan started focussing on the rapidly growing category. Since the Covid-19-related restrictions were lifted in 2021, Titan has launched multiple smartwatch product lines, such as Titan Smart, Titan Smart Pro and Fastrack Reflex Vox.

According to Suparna Mitra, CEO of the Watches and Wearables division at Titan Company, the vertical aims to more than double its revenues to ₹10,000 crore by FY26. In FY20, before the full impact of the pandemic, it had raked in ₹3,996 crore from this division. But after a major dip in sales in FY21, the watchmaker had managed to recover to 90 per cent of FY20 levels in FY22. In FY23, Mitra says, Titan has managed to increase the net sales value of the segment by 44 per cent year-on-year during the first nine months.

TITAN'S SMARTWATCH SHIPMENTS GREW NEARLY 40X DURING CY22, COMPARED TO 2021, PER IDC

So far, Titan's focus on the smartwatch market seems to be paying off. Per data from market research firm IDC India, the company's smartwatch shipments grew nearly 40x during CY22, compared to 2021. As a result, it became the fifth-largest smartwatch seller in India last year with a 2.4 per cent market share, from 0.1 per cent in 2021.

"The smartwatch segment contributed around 10 per cent of [Titan's] watch segment revenues. The company is charting out a path to target triple-digit growth in the smartwatches segment, considering its huge potential," noted analysts from ICICI Direct, adding that the company is adding advanced features and designs to its smartwatches under the Fastrack and Titan brands and also looking at providing an enhanced customer proposition.

Titan's interest in the smartwatches category is not without rationale, too. Data shows that in 2022 the local smartwatch market grew by a whopping 153 per cent year-on-year by units shipped. From some 12.22 million units in 2021, it jumped to 30.72 million units last year. Cracking the

market, however, won't be easy, given its late entry into the category. And with the market being dominated by dedicated smartwatch and smart wearable players like Noise, Boltt and boAt—who have together cornered 71 per cent of India's smartwatch shipments—Titan has its task cut out. Even the premium segment—priced above ₹25,000, with less than 15 per cent of the market—is dominated by global leaders like Apple, Samsung and Fitbit.

Mitra, however, has a plan. To counter the onslaught of global giants and local start-ups, she has adopted a two-pronged strategy. "The smartwatch market has exploded in the past two years. At the top of the market, there are brands like Apple, while at the bottom there are multiple local brands. So, we are positioning Fastrack in the ₹2,500-6,000 price range, followed by brand Titan, starting at ₹6,500 and going up to ₹15,000. We believe, this is a space where a lot of Indian consumers would like to make their next purchase," she says.

₹3,996 CRORE

The amount of revenue Titan Company raked in from its Watches and Wearables division in FY20

And to strengthen its innovation pipeline, Titan had acquired HUG Innovations, a Hyderabad-based start-up, in 2020. Since then, it has been rebranded as Titan Smart Labs and been fully integrated into the company's ecosystem, with its 80-member team. This team is deeply involved in "fundamental innovations" that have resulted in a range of new products. These have begun to bear fruit. As per the company, new products contributed around 20-22 per cent towards its sales from watches across all channels in 2022.

"The ₹10,000-crore sales target by FY26 is very ambitious and the greater contribution of smartwatches has been accounted into it. The category is exploding around us and we are going to work our way into a leadership position," says Mitra. Looks like the time is right for Titan. BT

@arndutt

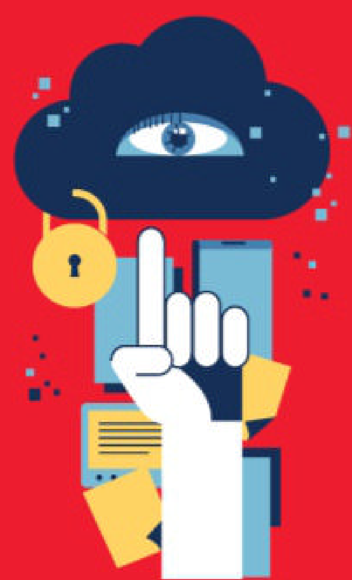
| DATA SECURITY |

ON GUARD

India's draft data protection Bill is expected to protect users' choices, while holding stakeholders responsible for their data protection practices

BY **RACHNA DHANRAJANI**

India's long-awaited Digital Personal Data Protection Bill will likely be tabled in the upcoming monsoon session of Parliament, the government recently informed a Constitution Bench of the Supreme Court that was hearing petitions challenging WhatsApp's policy to share users' data with other platforms owned by Meta (earlier Facebook). The proposed legislation aims to establish a framework for data protection in the country by regulating the collection, storage, processing and transfer of personal data by organisations and government agencies alike.



The Bill is expected to have a far-reaching impact on businesses operating in India, particularly those that handle sensitive personal information, as it will require every entity collecting, storing, transferring or processing data to adopt the measures and safeguards established by the law.

The draft Bill highlights the consent of the user, which is 'deemed' and can be withdrawn at any point. It also requires data fiduciaries (persons who determine the purpose and means of processing personal data) to maintain the accuracy and security of data, and delete it once its purpose has been met. "With the introduction of consent of users, the Bill empowers them to have a say about how his or her data is being used," explains Shreya Suri, Partner at IndusLaw, adding that the law will make all stakeholders accountable for their data practices. BT

@r_dhanrajani

| IPL |

Viewership War

Both JioCinema and Disney Star claim to have won the viewership sweepstakes during the first leg of the cash-rich IPL 2023. But the jury is still out

BY **PRERNA LIDHOO**

THE INDIAN PREMIER League is arguably one of the most watched and profitable sporting events in the world. As the cricket tournament scales new heights with each season, the competition among broadcasters—digital and traditional—to grab eyeballs is becoming fiercer.

In the first few weeks of play, Tata IPL 2023—currently being telecast and streamed by media networks Star Sports (Disney Star) and Reliance-promoted JioCinema—has already smashed many viewership records, claim both the platforms. According to data from Broadcast Audience Research Council (BARC), official TV broadcaster Disney Star has garnered 369 million viewers, the highest in IPL history. The number was 307 million viewers for the first 10 days, which is 23 per cent more than the previous edition, the network says.

DISNEY SAYS IT HAS RECORDED HIGHER CONCURRENCY THAN JIO; THE LATTER SAYS IT SAW HIGHEST-EVER VIEWERSHIP DURING OPENING WEEKEND

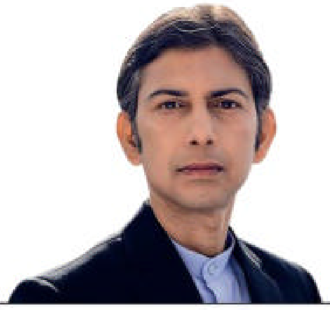
In fact, Star claims that it recorded a higher concurrency of 56 million than Jio's 18 million, an indication that the charm of watching sports on TV is growing. "The peak concurrency, which measures the intensity of viewership, is the highest it has ever been. To say that we've lost audiences to digital would be incorrect and a myth," says Sanjog Gupta, Head of Sports at Disney Star. According to Gupta, there might also be an overlap of audiences watching both TV and digital. And, going forward, "the overlap will increase further," he says. In digital, "retention is a problem". Small screen (digital) doesn't lend itself to long session engagement, says Gupta, adding that TV has lesser frequency but much higher retention.

However, Jio asserts that the average time spent per viewer per match on JioCinema increased by over 60 per cent compared to last season's first weekend. JioCinema, a part of Viacom18, clocked over 1,470 million video views, recording the highest-ever viewership during opening weekend for the Tata IPL on digital, says Gupta. Moreover, the number of video viewers on JioCinema in the first weekend of IPL 2023 alone, has crossed the entire last season's digital figure. Not only that, it is also higher than the ICC T20 World Cup 2022 number.

"These numbers are exceptional and evidence of the digital revolution sweeping through the country," says Anil Jayaraj, CEO of Viacom18 Sports. "Digital is targetable, addressable and interactive. Unlike legacy services, measurement on digital is based on the exact number of people who come in to watch and not based on subjective extrapolation from a small sample set. The landscape for content consumption has irrevocably moved to digital and JioCinema's performance this week is the biggest evidence of it," he says.

While both the media houses lay claim to winning the viewership battle, the jury is still out, with more than half of the matches yet to be played in the two-month-long cricket extravaganza. As they say, it's not over till it's over. **BT**

@PLidhoo



What Makes a Good CEO?

Long-serving chief executives shape, guide and mould an organisation; they also know when to pounce and when to hunker down, and create enormous wealth for shareholders

BY **UDAYAN MUKHERJEE**

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WE ARE A country blessed with world-class CEOs—a fact that finds growing recognition globally, with more and more Indian managers reaching the summit of leading international corporations. While this is to be celebrated, it is also worth asking why many CEOs fail. What are the fundamental traits that enable only some to shine? Equally, what are the red flags that investors, employees and boards need to watch out for in their chief executives? This is crucial, for the basics—intelligence, diligence, patience, sharpness, team skills—are a given, even hygiene for anyone making it to the echelons of top management in today's competitive environment. Yet, there are softer skill sets which often end up distinguishing the good from the great. Here is my checklist, culled from interactions with hundreds of CEOs over the last two decades.

Integrity tops the list, and this is by no means a given. Far from it, actually. A manager can be supremely competent and possess every skill in the book to lead a corporation, but without a robust value system, he is almost certain to stumble somewhere along the way. Nothing epitomises this more than the recent example of YES Bank. From my very first meeting with the now beleaguered CEO, I had the distinct feeling that something was not quite right. I remember watching in wonder when the bank's share price kept climbing higher and higher, even inviting comparison with the HDFC and Kotak banks of the world, but could never bring myself to shed that nagging suspicion that the spell would unravel. One would hear whispers, but dismiss those as salacious gossip. Finally, it was this lack of integrity and a core value system that led to the undoing of the bank, and its CEO. As was inevitable. While evaluating a CEO, even the slightest hint that the person can be flexible with his moral compass should immediately ring warning bells for all stakeholders. Some groups, like the Tatas, have inbuilt checks and balances to ensure that dodgy managers never make it to the top, but not all corporations have such ethical scaffolding.

Somewhat linked to this, though not quite the same, is a sense of hubris that often creeps in with powerful CEOs. All the admiration and adulation goes to their heads, and they begin to feel that they can get away with anything. This air of invincibility is usually the prelude to a disaster. Just look at Chanda Kochhar. Or Rajat Gupta. How could people of their calibre make those mistakes, were it not for sheer hubris? CEOs, who possess the quality of introspection, would do well to be ever watchful of signs of incipient hubris, as do boards monitoring their progress. Humility is almost a precondition for enduring success, in practically any field.

I have always found a CEO's relationship with the company's share price most revealing. A CEO who says he doesn't care about his stock is being facetious, and one who keeps too close an eye on it is susceptible to strategic errors. The sweet spot is somewhere in the middle—not too little or too much, just enough. Though not fashionable to say it these days, delivering shareholder value ought to be one of the most important objectives of any chief executive. Therefore, an assessment of the share price over a reasonable time frame—usually three to five years—during a CEO's tenure is a good yardstick of performance. When stocks underperform, CEOs often point to extraneous factors such as market conditions, but the fault usually lies within. At the same time, the market's demanding treadmill can exert enormous pressure on managements to deliver the goods on a quarterly basis and CEOs over-sensitive to share fluctuations can easily end up

ILLUSTRATION BY **RAJ VERMA**

sacrificing strategic long-term decisions that interfere with short-term profitability. This can be suicidal in the long run. The perfect CEO is the one who seeks to deliver shareholder returns over the medium term without getting too hassled by short-term volatility or underperformance. Easier said than done, and thus to be kept on the watchlist.

Should a good CEO be ambitious or conservative? Again, so easy to err on either side. I have seen so many, driven by sheer ambition, ruin their corporations through aggressive acquisitions, reckless expansion and overreaching forays into new business lines. And these days, the young turks of digital unicorns do this even more effortlessly, since they are burning money that has not been earned the hard way but by dipping into the wallets of private equity funds. Without ambition there can be no growth but there is a fine line between ambition and recklessness. The ongoing saga of one big business empire offers many lessons.

Yet, the opposite can be dangerous too. An over-conservative CEO may be as big a problem for a company's shareholders. No corporation can grow and succeed without a certain level of risk-taking. There are many CEOs, particularly ones whose rewards are not linked in some way to stock price performance, who shy away from taking risks. Not much upside if they succeed, but plenty of downside if they fail to pull it off, they reckon. It falls on the board to stimulate the right level of risk-taking capability in the chief executive. This is also one of the reasons why CFOs don't usually make good CEOs. Traditionally too, it is the *Lala* who is always the engine, or accelerator, that propels an enterprise forward; the *Munshi* is the lubricant, at best the brake. Necessary, but never sufficient. It is an important distinction.

Finally, if there is one thing which triggers my alarm system, it is a flashy chief executive. The ones who adorn Bollywood parties and are seen often in IPL's VIP stands, rubbing shoulders with celebrities. Nothing wrong *per se* in it, as CEOs too are human beings and entitled to a good time. Yet, from Anil Ambani to Rana Kapoor, this has usually been a fairly good indicator of trouble ahead. And so, I have great respect for it. CEOs, particularly of large corporations, will always enjoy a lot of media attention, but when they start acting as celebrities, stakeholders should become wary.

The general belief is that organisations matter, individuals don't. I have never been a big fan of this line of thinking. Long-serving CEOs leave an indelible impression on their corporations. They shape, guide, mould, know when to leap, when to pounce and when to hunker down. When all these qualities come together, you get a CEO who goes on to create great wealth for shareholders and is remembered well after her time. One hopes that we will produce many more of them, so that while China can brag about being the factory to the world, we can proudly call ourselves the CEO factory to the world. BT

'We don't have enough planes to **fly all domestic passengers**'

Jyotiraditya Scindia, Union Minister of Civil Aviation and Steel, reveals why there has been a surfeit of aviation orders from India, the government's plans for the sector, and the road to carbon neutrality

PHOTOS BY **RAJWANT RAWAT**

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He is among a handful of Cabinet Ministers to have been publicly praised by Prime Minister Narendra Modi for their achievements. As a minister handling the important portfolios of civil aviation and steel, 52-year-old Jyotiraditya Scindia has a clear mandate: to tap into the enormous potential of the two sectors to drive their growth. In an exclusive interview with *Business Today*'s *Manish Pant*, Scindia explains why there has been a surfeit of aviation orders from India, the government's ambitious plans to turn the world's fastest-growing aviation market into a global hub and make the sector carbon-neutral, and the extension of PLI 2.0 to the steel sector. Edited excerpts:

Q: Are you satisfied with the way India's aviation sector has recovered after the Covid-19 pandemic?

A: The civil aviation sector in India is on a resurgent high. Where two years ago we had all our planes on the ground and not a single passenger, today we have all our planes in the air, and there is a sustained increase in [passenger] demand. We experienced a pre-Covid-19 high of roughly 420,000 passengers per day in October of 2019. Surprisingly, post the October-January high season, we are experiencing new highs with close to 455,000 passengers [per day] in February. And the important thing is that it's not a blip. On a sustained basis, the average numbers have been between 390,000-440,000 every day.

Now, what does that mean? It means the demand for civil aviation within the country has reached a new high... It's a sustainable demand and that growth is only going to escalate further in the months to come. Indian aviation, in the last nine years of our government, has completely transformed under the leadership of Prime Minister Narendra Modi. Prior to 2013-14, it was an industry that was dependent on international traffic. However, from 60 million domestic passengers it has grown to 144 million passengers in 2019-20. Our international passengers have gone up to 60 million [from 43 million in FY14]. And I see the 144 million plus 60 million, which is roughly 200 million [passengers], doubling over the next five years. That's the kind of explosive growth that we are talking about.

Q: How are you going about addressing the development of airports and other related infrastructure to match that growth?

A: In terms of the number of airports, we have gone from 74 airports in 2014—67 years after India's independence—to building an additional 74 airports, heliports and water aerodromes in the past nine years, to double our capacity to 148 [airports]. I see that reaching about 200 to 220 airports over the next

four years or so. In terms of the number of aircraft, we were roughly at about 400. That fleet size has almost doubled to 700 today. Air India has placed the largest order in civil aviation history of 470 planes, including 250 with Airbus and 220 with Boeing, amounting to [an] almost $70 billion order. In addition, all other airlines from IndiGo to SpiceJet to Akasa [Air] to even regional airlines are ordering planes. The shoe is now on the other foot: Whereas we didn't have passengers to fly in planes, today, within India, we don't have enough planes to fly the number of passengers that we need [to]. Therefore, what we have done from a regulatory standpoint is to make the policy for leased aircraft far more flexible. From three plus three months earlier it's now become six plus six months so that we can get aircraft on dry or wet lease to bridge the gap between the current fleet size and the supply of new planes. As this growth has come about, there is also an urgency and effort to reiterate that the civil aviation ecosystem is not just about airplanes and airports; it goes way beyond that. The ecosystem covers ground handling, cargo, flying training organisations

“We must venture into the international markets; we must eventually move into long-haul markets and provide point-to-point travel for our domestic fliers internationally, to ensure that we attract them to our carriers as opposed to them going via hubs lying outside the country”

(FTOs), regional aircraft and helicopters. The government is trying to supplant the civil aviation ecosystem to also cover manufacturing. Along with the efforts that we're doing on each one of these fronts, we have drastically redone both the maintenance, repair and overhaul (MRO) and FTO policies as well as brought about a new helicopter policy. We have done away with all the charges and royalties, and brought down land rentals or pretty much abolished them to provide a new growth avenue for those segments. At the same time, with regard to FTOs, we have got 35 FTOs in 52 locations. The latest tender will result in 15 FTOs coming on stream in the next 12-18 months, which will take our FTO capacity to 50. And, therefore, the foreign exchange outgo, which is about ₹500 crore, will be saved as pilots get trained here.

Q: But what about your capex plans?
A: We have very aggressive capex plans worth ₹98,000 crore for the next three to four years. We also have close to about ₹20,000 crore worth of capex for 42 brownfield airports of the Airports Authority of India (AAI). Plus, another ₹35,000 crore worth of capex for the seven brownfield airports in the private sector. As far as greenfield development is concerned, there are three AAI airports, where we're looking at an additional ₹3,000-3,500 crore worth of capex. One of these airports at Donyi Polo in Itanagar in Arunachal Pradesh was completed recently at a cost of ₹646 crore. The other two are Dholera (₹1,305 crore) and Hirasar (₹1,405 crore) in Gujarat. An amount of more than ₹35,000 crore is set aside in the private sector for greenfield airports in Noida, Bhogapuram, Navi Mumbai and Mopa [inaugurated in December].

Q: What's the progress on the government's plans to turn the country into a global aviation hub?
A: It's very important to look at setting up a hub within


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India to serve India. Today, unfortunately, our international hubs are not in India. Our international hubs are either located in countries close to our borders in the East or in the West. Our effort, therefore, is that as airlines increase their fleet size, the civil aviation ecosystem gets supplanted. To develop an international hub within India, we are starting with the Delhi airport, where we are in conversation with Delhi International Airport Ltd (DIAL), as well as Air India and IndiGo, to look at key learnings internationally and flatten out the vicissitudes of arrivals and departures, to smoothen out that curve to provide a greater level of connectivity between their domestic and international flights. We are simultaneously working on minimising the connecting time between two flights at airport terminals to offer greater flexibility. The concerned parties are in the process of engaging a consultant and then the process will move forward. Clearly, we do want to establish that international hub within India. And more so now that Air India is getting many wide-bodied aircraft. Starting this year, IndiGo has also started its foray into several new international sectors. This is something that I have been requesting all our airlines to do for the last year and a half. We must venture into the international markets; we must eventually move into the long-haul markets, and we must be able to provide point-to-point travel for our domestic fliers internationally to ensure that we attract them to our carriers as opposed to them going via hubs lying outside the country's western or eastern coasts.

Q: Your ministry has also reiterated that the country won't be enhancing bilateral flying rights to foreign carriers. Emirates President Tim Clarke has gone so far as to say this was "a pity". What's your perspective?

A: I wouldn't want to say that we have declined any offers. But I will say that this issue is under our constant watch. As dictated by the terms of bilateral agreements, when our carriers reach 80 per cent capacity and seats start getting exhausted, we shall certainly look into it. But at this point in time, we are both looking at issues domestically as well as making sure that there's enough connectivity available in international sectors.

ON MAKING INDIA AN AVIATION HUB

Our effort is that as airlines increase their fleet size, the civil aviation ecosystem gets supplanted. We are... in conversation with airports and airlines to look at key learnings internationally and flatten out the vicissitudes of arrivals and departures, to smoothen out that curve to provide a greater level of connectivity between their domestic and international flights

ON DEVELOPING INDIAN AVIATION

The government is trying to supplant the civil aviation ecosystem to also cover manufacturing. We have drastically redone policies for both maintenance, repair and overhaul (MRO) and flying training organisations (FTO), as well as brought about a new helicopter policy

ON ENHANCING BILATERAL FLYING RIGHTS

When our carriers reach 80 per cent capacity and seats get exhausted, we shall look into it. But at this point, we are both looking at issues domestically as well as making sure that there's enough connectivity available in international sectors

Q: Last year you told *BT* that passengers carried by airlines will exceed those carried by the Indian Railways in its air-conditioned compartments. However, won't the launch of semi-high-speed and high-speed trains have an impact on that projection?

A: Firstly, the number of passengers travelling by our competition, which is air-conditioned first and second AC compartments of the Indian Railways, is about 185 million per year. The aviation sector carries about 144 million people. The CAGR of the railways is roughly 5.6 per cent, while the CAGR of aviation is about 10.2 per cent. Therefore, our projection is that in the next five years, we should hopefully be able to catch up with that segment of the Indian Railways. As our ability to transport more people with the growth in aircraft fleet increases, we will be offering last-mile connectivity to the hinterland. Many new airports have been built in locations that one would have never thought of. Connectivity from those airports is providing a feeder market from Tier III cities to Tier II and I cities. This will also induce a lot of new demand going forward. Therefore, I see aviation, railways, highways and waterways complementing and not competing with each other. At the end of the day, the transportation and logistics market in India is going to grow by leaps and bounds.

Q: You have sought an audit of airport assets to reduce Indian aviation's carbon footprint. What other key initiatives, including encouraging carriers to use sustainable aviation fuel (SAF), are in the works for the sector?

A: That's something I have been pushing in earnest ever since taking over as the civil aviation minister. Allow me at the outset to state that aviation is naturally a very visible sector because the plane flies right above your head, as opposed to many other hard-to-abate sectors that are not visible to the naked eye. Having said that, we certainly are a contributor, but we are only 2 per cent of the world's carbon emissions. It's still

important for us to be responsible and adaptable. As far as the airports segment is concerned, 11 airports in the private sector and close to 96 airports of AAI will be completely carbon-neutral by the second quarter of 2025. That's the plan that we have in place and I'm personally monitoring it. Already, Delhi and Mumbai have received the Airport Council International's [ACI, an organisation of airport authorities] level 4+ accreditation in the Asia Pacific and Middle East region, which is a gold standard in international aviation for carbon neutrality. Besides, two other airports have also received level 3+ accreditation. Thus, many of our airports have been early adopters. Along with that, there are three levels of creation of carbon emissions within an airport: Scope 1, Scope 2 and Scope 3. Scope 1 emission is directly by the airport; Scope 2 is indirectly by the airport in terms of the equipment it uses, and Scope 3 are circumstantial emissions that though external are in the airport environment. For example, emissions caused by the cab ferrying passengers to and from the airport. We are working across all three. Similarly, SAF's efficacy as an aviation fuel has already been proven across the world. Within the country, we have put in place some thoughts in terms of what that mix should be and we're looking at blending 1 per cent of SAF by 2025, 2 per cent by 2028 and 5 per cent by 2030 in regular aviation turbine fuel (ATF). If you take 5 per cent of SAF as a blend, in terms of current consumption you are looking at about 0.7 million tonnes of required capacity. India has the potential to produce 12 million tonnes. The problem certainly is not in terms of the usage of SAF in aircraft engines or the country's capability to produce it. The problem globally and for India is about ensuring that SAF actually gets produced and the logistics of bringing it from the site of production to the bowser that goes to refill the aircraft. The Ministry of Petroleum and Natural Gas (MoPNG) and we have set up a committee that is looking into this. We are quite confident that MoPNG will draw up a road map based on what we have recommended for the production of SAF.

"Earlier, we didn't have passengers to fly in planes, and today, we don't have enough planes. Therefore, what we have done from a regulatory standpoint is to make the policy for leased aircraft more flexible"

Q: Let's talk about your other portfolio, steel. How confident are you of doubling steel production to 300 million tonnes from the present 155 million tonnes by 2030?

A: If you look at the trajectory that India has gone through in the past nine years, annual steel production has increased by 50 per cent from 80 million tonnes (MT) in 2013-14 to 121 MT in 2022-23. Additionally, per capita consumption of steel has gone up by almost 50 per cent to 77 kg per capita today. The bulk 60 per cent of steel demand comes from infrastructure, automobiles and FMCG. Under the ambitious expansion programme of the government, the budget for capex has grown by anywhere between 35-40 per cent to ₹10 lakh crore from ₹7 lakh crore, with a huge demand coming from automobiles and FMCG sectors. In the last year, steel consumption has grown by 12 per cent. Hopefully, in FY23, the sector would have registered a record production of 125 MT of steel. That's an all-time high for India. On a CAGR basis, the steel sector has grown 6 per cent. Looking at the capex programmes of the private sector as well as our public sector enterprises, we are very confident of achieving our target of 300 MT production capability in another eight to nine years.

Q: Following the success of the government's ₹6,220-crore production-linked incentive (PLI) scheme for the manufacture of specialty steel, are you looking at expanding it in FY24?

A: We are very happy with the buoyancy and the bullishness that the PLI for steel has received. We had 27 companies come forward with 57 MoUs, close to ₹30,000 crore worth of capex allocation, 25 MT of capacity addition and close to 60,000 jobs being created. That's a great fillip for the specialty steel sector, in which most of the import demand would be coming in. We are now looking at the other areas where steel is either being imported or where a lot of value addition is required. Although we are still in the early days of the first PLI scheme, we are certainly thinking of PLI 2.0. However, that will only emerge after the completion of deep consultations with our integrated steel plants and the secondary steel industry. From there should emerge the *amrit* (nectar) of a very thorough, threadbare and granular assessment as to what should go into PLI 2.0. The process has just about started. BT

@manishpant22

Chinese OEMs have introduced sub-brands for specific target groups and to counter segment-wise competition

Most of these second brands or sub-brands are targeted either towards budget buyers or the youth

As the sub-brands gain in popularity, they expand into different price points

Non-independent sub-brands share brand resources like R&D, manufacturing and sales with the parent brand

Most sub-brands have or are looking at expanding into the ecosystem

WHAT'S IN A NAME

MANY LEADING CHINESE SMARTPHONE MAKERS IN THE INDIAN MARKET HAVE **LAUNCHED SUB-BRANDS OR SECOND BRANDS TO APPEAL TO NEWER DEMOGRAPHICS.** WHAT LIES AHEAD?

BY **NIDHI SINGAL** & **ABHIK SEN**

ILLUSTRATION BY **RAJ VERMA**

DURING A RECENT visit to Delhi, 17-year-old Sunny Vohra from Punjab's Guru Har Sahai in Ferozepur district, was fascinated by the smartphones his cousins were gaming on. Once back home, he couldn't find the brand in any store; calling up stores in Chandigarh—nearly 230 km away—didn't help. Finally, he called up his Delhi-based cousin to find out where to buy the phone. His cousin shared a few links; Vohra went online, and a slew of brands on e-commerce platforms—some of which he had never heard of—serenaded him with options. While he had been searching for a POCO phone, he bought one from iQOO, a brand he hadn't heard of earlier, based on the positive reviews on the platform. The phone arrived, he unboxed it and found a charger with the vivo branding. That's when he realised iQOO was from the familiar Chinese company's stable. And many of his friends use vivo phones, which have responsive after-sales service.

Chinese smartphone firms have been wooing the Indian consumer for quite some time. Now, they have upped their game by launching phones packed with features like never before, but with separate branding, and at prices lesser than the bigger brands. You want a camera phone? I got one. You want one for gaming? I got one. You want long battery life? I got one. And customers are lapping them up. According to data from Counterpoint Research, second brands have steadily grown their market share in the past few years. In fact, realme—a brand from the OPPO stable—has surpassed the market share of the mother brand.

WOOING CUSTOMERS

The Indian consumer, too, isn't buying their first smartphone. Now, they want more features, and are willing to stretch their budgets for that. Earlier, most smartphones sold in India would cost less than $200, says independent technology analyst Satish Meena. And while the price-sensitive buyer is ready to spend more, "they are not willing to pay the same price, as say a Samsung or Apple, to the Chinese manufacturers", he says, adding that these companies are creating sub-brands or second brands to cater to customers moving up the value chain.

For instance, Xiaomi, which dominated the sub-₹20,000 segment since coming to India in 2014, struggled to make a mark in the ₹25,000-plus price band, which was then dominated by OnePlus. To counter this, it launched a sub-brand called POCO in 2018. Similarly, OPPO, popular in the ₹30,000-plus segment, didn't make much headway in the sub-₹20,000 category, where Xiaomi's Redmi line dominated. To target this space, OPPO came up with realme. Unlike POCO, realme functions as an independent entity and a brand. Likewise, performance-specific iQOO was birthed when vivo decided to cater to the GenZ and youth.

Customers are willing to spend more on better smartphones also because their replacement cycle, which used to be 12-18 months earlier, is three years now, says Meena. "So now, they are looking for brands that can give them a device that can last that long." Also, according to Chandrashekhar Mantha, Partner at Deloitte India, the Chinese smartphone firms are trying to create aspirational value for customers with their second brands. "India is a price-sensitive market, and when you go down the price bands into budget segments, the brand loyalty becomes low," says Prachir Singh, Senior Research Analyst at Counterpoint. Therefore, it's necessary to create an aspirational brand. "You can introduce a lot more products that will enable creation of a product and engagement ecosystem, which will then come under the premium category," says Mantha. Is building an ecosystem the longer game then for these Chinese smartphone makers? More on that later.

GIVING THEM WHAT THEY WANT

"The sub-brand strategy is basically a way for them to target new segments of consumers... Segmentation has long been a strategy in consumer goods, for example, from companies like Procter & Gamble or Coca-Cola. Smartphone brands realised that as smartphones themselves became less about the technology and more like commodities, they had to follow suit," says marketing veteran Alex MacGregor, who has worked with brands such as Meizu, OPPO and OnePlus.

CHINESE SMARTPHONE FIRMS HAVE UPPED THEIR GAME BY LAUNCHING PHONES PACKED WITH FEATURES LIKE NEVER BEFORE, BUT WITH SEPARATE BRANDING, AND AT PRICES LESSER THAN THE BIGGER BRANDS

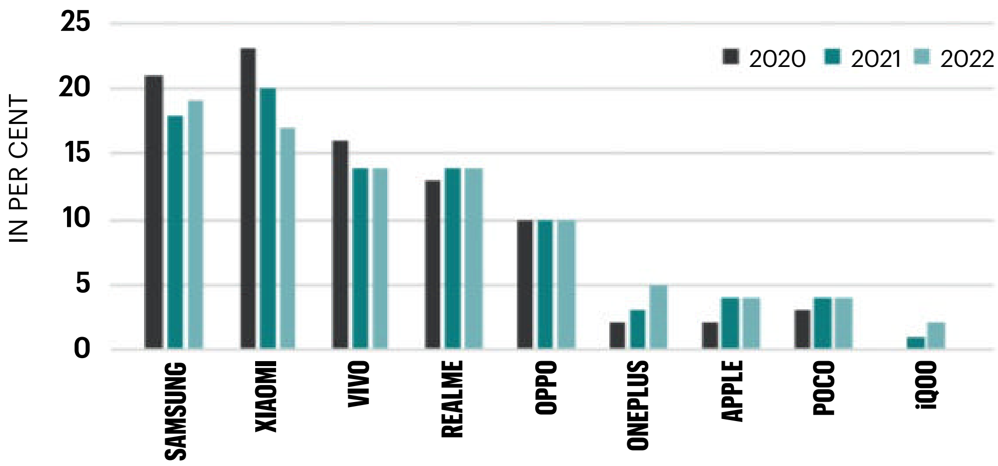
Nipun Marya, CEO of iQOO, says the most important way to segment the market is by user needs. Catering to specific demands is the reason for this upsurge. vivo, for instance, realised this trend three years ago when it launched iQOO in 2020. "There are different segments in the market, and you cannot really stretch beyond your [brand] positioning because the whole crux of the brand is that you have to stand for something. vivo stands for the camera... We felt there was a gap, because many people today look for the best multitasking experience and the best gaming experience. And this is where we think iQOO is very well positioned, to serve this performance-hungry consumer," says Marya, adding that even the target audience of the brands is very different—while iQOO targets 20–25-year-olds, vivo focusses on 26-27-year-olds.

It's not easy, though. POCO's first device, the F1, disrupted the market. But customers had to wait for two years for its next device, as it's not possible to create disruptors all the time. And that led to a gap of two years where POCO could not leverage the legacy of F1. Himanshu Tandon, Country Head of POCO India, says that while the product was good, the company did not have enough products in the pipeline to sustain the brand. "That was the mistake we made... waiting for the next perfect product."

Customer preferences aren't restricted to just features, says Marya. Unlike earlier when offline retail dominated, many consumers prefer online channels. Online is also a good way to make the product accessible. "If your price point is low, the distri-

MAKING HAY

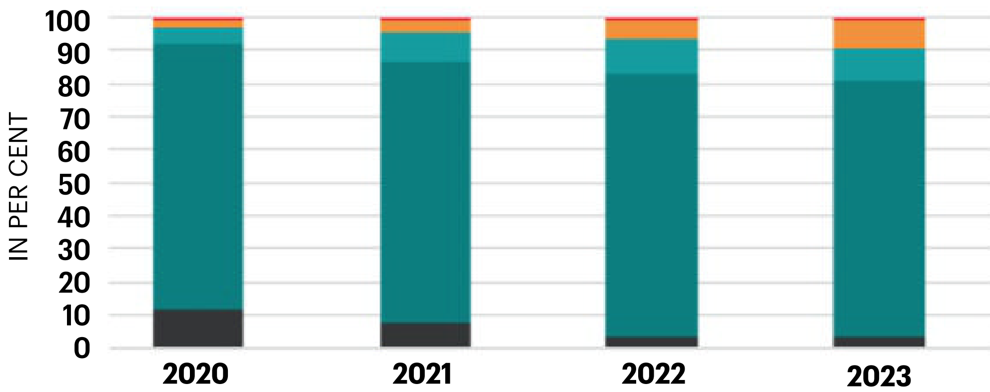
WITH SMARTPHONE MAKERS LAUNCHING MANY SUB-BRANDS, THEIR MARKET SHARES SHOW MIXED TRENDS



MARKET SHARE OF INDIA'S SMARTPHONE SHIPMENTS;
SOURCE: COUNTERPOINT RESEARCH

LITTLE BIG DOG

IN THE AFFORDABLE SEGMENT, XIAOMI, REALME AND VIVO WERE THE TOP PLAYERS IN 2022



AFFORDABLE (< ₹7,000) VALUE FOR MONEY (₹7,000-25,000)
PREMIUM (₹25,000-50,000) SUPER PREMIUM (₹50,000-1,00,000)
UBER PREMIUM (> ₹1,00,000)

SOURCE: CYBERMEDIA RESEARCH AND SERVICES

THE BRANDS GAME

Xiaomi
- Redmi (budget)
- Mi (flagship)
- POCO (sub-brand focussed on youth; ₹10,000-35,000)

OPPO
- OPPO (premium segment)
- realme (independent brand catering to all segments)

vivo
- vivo (across entry, mid & premium segments)
- iQOO (performance focussed; ₹10,000-60,000)

Transsion Holdings
- Tecno (all segments)
- Itel (under ₹15,000)
- Infinix (up to ₹40,000)

"Wherever we think there is background synergy, we try to utilise that synergy, and wherever we think the two brands need to be distinct, the brands are distinct"

NIPUN MARYA
CHIEF EXECUTIVE OFFICER, iQOO

"While price-sensitive customers are willing to spend more on premium phones, they are not willing to pay the same price as say [for] an Apple to Chinese manufacturers"

SATISH MEENA
INDEPENDENT TECHNOLOGY ANALYST

bution has to be cheaper, because your margins have to be managed. Hence, it's important to have a very strong online play," says Deloitte's Mantha, adding that online is critical to achieve scale. For offline play, companies need to have a strong mother brand. Plus, they also need to be premium. For instance, say industry observers, brands such as Apple, Samsung or OnePlus have dedicated stores.

Why don't an Apple or a Samsung need to create sub-brands? That's because their brand positioning is so strong that customers buy their phones just because they are made by them, say industry watchers. And is such a strategy utilised only in India? Not really, but nowhere is it possibly as prolific as in India, say experts. In developed markets, Apple and Samsung, for all practical purposes, have a duopoly and there aren't as many price points to cater to as in India. But this strategy could work in a market similar to India's, say industry watchers.

CORE SYNERGY

The sub-brand or second brand concept isn't new; it has been used extensively in the FMCG space. There are two ways of doing it—one is called a branded house strategy; the other is called the house of brands strategy, where you have multiple brands in a company. For instance, in the FMCG space, Unilever has multiple brands—such as Dove and Lifebuoy, which are separate brands within the same company. In a branded house strategy, the mother brand is omnipresent. For instance, the Tata group that has Tata Salt, Tata Tea and even Tata Motors. Marya of iQOO, says smartphone makers do things a bit differently. "Wherever we think there is background synergy possible, we try to utilise that synergy, and wherever we think the two brands need to be distinct, the brands are distinct," he says, adding that it is always beneficial to have synergy for R&D, manufacturing and after-sales service, like iQOO and vivo do. Similar is the case with POCO. But on the front end, "our sales team, planning team and marketing team are different," adds Tandon.

Incidentally, OnePlus—that integrated with OPPO globally in 2021—uses the back-end synergies of the latter. But it has a distinct identity. "OnePlus was able to build a large business on the back of identifying the tech enthusiast crowd and focussing on this niche with their product and marketing in India. Even though there have been many changes, they've still managed to cultivate a huge following and the brand is widely regarded as one of the best in the market, which in turn commands premium prices and likely profits," says MacGregor. OPPO's other brand realme, launched as an independent brand and legal entity, uses only the mother brand's facilities to manufacture its products.

THE ECOSYSTEM PLAY

While these brands were introduced with a specific target audience in mind, market acceptance has led to them offering smartphones across price bands. That, say experts, is to ensure that the brand has an offering as a customer moves up her smartphone journey.

With some of these brands being present in price bands similar to their mother brands, isn't there a chance of cannibalisation? Mantha says a little bit of cannibalisation might happen "but at the core of that target segment, there is very limited play because it's completely focussed on a different set of customers".

But it is the diversification beyond smartphones—into IoT devices, laptops or televisions—that seems to be the long game. For instance, realme has a portfolio of products across flagship smartphones, wearables, laptops, tablets and TVs. Similarly, Infinix Mobile, part of China-based Transsion Holdings (that also has brands like Tecno and itel), has smart TVs, audio accessories, laptops and more. "For most sub-brands, the transition into multiple categories will happen going forward. This is a part of the overall ecosystem strategy, which brands are adopting in the overall smart ecosystem, and not just smartphones," says Counterpoint's Singh.

And lest we forget, Apple, Samsung and now OnePlus have well-defined ecosystems. "You need to create an ecosystem wherein you have your consumers on the same platform using various products and services. It can take the shape of a loyal community and further strengthen the brand," says Mantha, adding that marketing communications can be channelised with the rich consumer behaviour data and one can also retain customers for a longer time. "It can also help you to understand trends, expectations and preferences that become key inputs to your product strategy. So, creating an ecosystem is possibly going to be the way forward," he says.

Whatever be the strategy, what this means for customers is more choice and better products at reasonable prices. Companies, too, will be aware of customer preferences and design products that are winners. A win-win for all, don't you think? BT

@nidhisingal, @abhik_sen

Nibav Lifts Lives with Innovative Excellence

Home elevators were first invented in the year 1929, and has redefined how comfort, accessibility and luxury is evaluated. In that, pneumatic elevators otherwise known as vacuum elevators are stirring up a sensation with their slew of space cutting features and energy efficient modules. At the heart of this industry are the people who work tirelessly to ensure that elevators run smoothly, safely, and efficiently. Mr. Vimal Babu, the director of NIBAV Lifts, Chennai, Tamil Nadu, is leading his team to new unconquered heights of excellence which have already made a splash in the industry with its innovative and home-friendly lifts.

Vimal Babu
Director of NIBAV Lifts

Invested with tremendous industry experience, Mr. Vimal Babu, is a consummate professional when it comes to creating ingenious sales and marketing strategies. Acknowledged for his leadership skills and deep passion for learning and innovation, Mr Vimal has helped many of his team members to progress in their careers and prosper. To this effect, he can be credited with setting up a work culture that prioritizes equal opportunities for all, irrespective. As a result of achieving incredible success because of his values and business acumen, Mr. Vimal Babu has earned the staunch faith and loyalty of his team and is a towering figure among his global peers.

"I believe every individual should have a personal vision to drive them and anchor them from time to time. Every significant innovation that was bestowed on this world was a product of someone's 'deemed impossible' dream!" avers Mr. Vimal Babu. Rooted in core values of willingness to learn, venture out of comfort zone and an attitude that is willing to do whatever it takes, Nibav actively nurtures a culture of go-getters who are steadfast in their endeavors to excel. As an extension of this, the organization has a dedicated anthem that acts as a triumphant attempt to urge the team to steer themselves towards their aspirations.

'Positions are not given, they are taken', is a favorite punch-line of Vimal, that resonates in the organization and is meticulously followed to this day by his team. He is a prominent face at all the town hall meetings held at the premises and frequently conducts training for sales executives. He says, "I often tell my leaders, managers, and department heads that they play a significant role in influencing the team's direction. Their work doesn't just stop at getting the work done, but also in moulding and guiding their teammates to progress in their career. After all, isn't it our responsibility to mentor our teammates to achieve their true potential?"

Under his keen and steady guidance, Nibav Lifts has established five milestones in its growth journey since its inception in 2019. Offering revolutionary vacuum home elevators, Nibav Lifts intends to bring affordable luxury to every home with its range of compact and modular home elevators. Nibav Lifts boasts of a global network of 14 countries with 40 experience centers in a short span of 3 years.

Today, over 3,000 homes worldwide enjoy the comfort of a luxurious Nibav home elevator. Being the only certified TUV SUD home elevator in India, NIBAV has won two awards namely, "Most Luxurious Home Elevator Brand" and "Architect's Number One Choice of Home Elevators" awards in the year 2022.

At a time when there is a dearth of standard regulations for home lift manufacturers in India, NIBAV emerges as the only brand to have the most coveted TUV SUD certification. The organization is also accredited with a TUV Nord certification and CE certification with the components being manufactured in accordance with European standards.

Bestowed with a slew of innovative features, the latest Series III stands at the forefront of engineering excellence. Conceptualized and manufactured in India, NIBAV Home Lifts upholds every Indian's 'Make in India' vision!

Speaking of this immense achievement, Vimal Babu informs, "NIBAV is rapidly expanding base in different parts of the world. Currently, we have set up experience centers in 12 different countries with many more lined up. We have also been experiencing 5X growth from last year so I am glad to see aligned with our ultimate mission".

NIBAV Home Lifts are mostly known for their ease of installation and space efficiency.

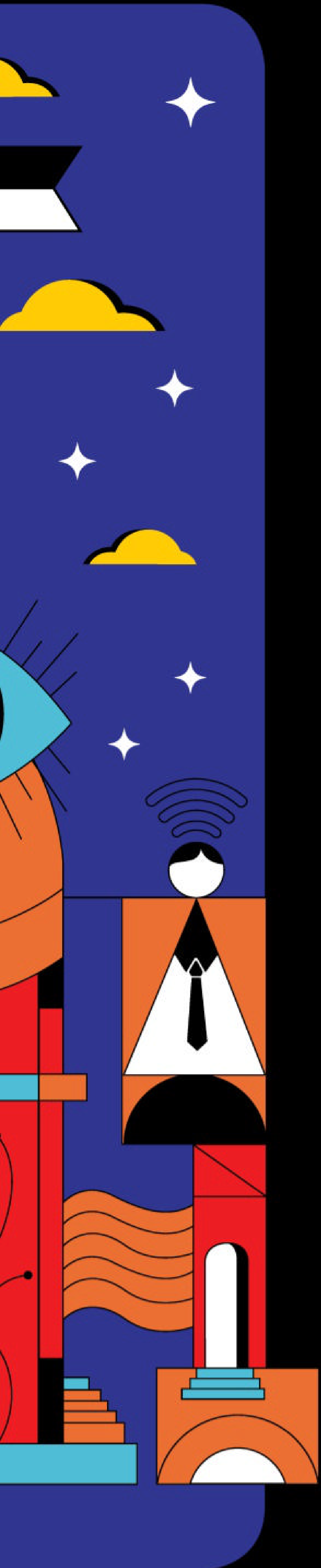
The lifts are delivered as completely dismantled structures wherein the installation engineers put them together to plug and play. This minimizes the hassle of civil work as the installation time is cut down to 24 hours. The added features of these lifts are that they are completely Vaastu compliant, providing a nuanced sense of comfort and luxury to one's home.

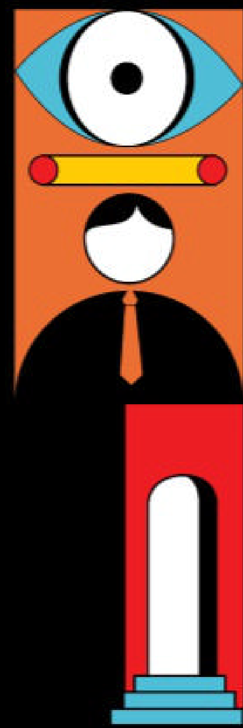
"Apart from the standalone experience centres, we have recently launched our experience centers at various malls across the country mainly for people to understand how easy it is to install a NIBAV Lift inside one's home. We are planning to have our Demo elevators installed in all the major malls in India," shared Mr.Vimal Babu.

NIBAV Lifts come with an array of customizable features to ensure that they blend seamlessly with the decor of the house. The more recent upgrades involve limited edition colour options that feature bold wooden shades to match with the furniture of the place.

Home Lifts have come to redefine the way we view accessibility. For seeing the way forward, NIBAV Lifts is certain of accomplishing its vision of becoming the world's No. 1 home elevator company by 2024 December.

ILLUSTRATION BY **ANIRBAN GHOSH**





BEST CEOs **OPENER**

A FORCE CALLED **INDIA**

THE *BT*-PwC INDIA'S BEST CEOs RANKING HONOURS ITS BEST BUSINESS LEADERS. NOW, THEY ARE BETTING BIG ON THE COUNTRY

BY **KRISHNA GOPALAN**

This year's much-awaited *BT*-PwC India's Best CEOs ranking has winners from diverse fields. Yet, they have one thing in common: a clear long-term growth strategy with India at the core. Be it large-, medium- or small companies, and regardless of the industry that they are in, there is no getting away from the India story. And it has gained even more momentum as most parts of the world grapple with uncertainty.

These corporate bosses have grown their businesses through a mix of organic and inorganic expansion. They have been innovative, taken the tough decisions, and are steadily increasing the allocation of resources to India. Some initiatives like the Insolvency and Bankruptcy Code, the removal of archaic regulations and clarity on complex issues have convinced these companies that the next few years will be all about unlimited opportunities in India. And despite some industries being in the nascent stage, very few nations can match India's growth rate. That said, there are niggling issues that deserve attention. Among these are the spectre of inflation, and the several rounds of compliance CEOs need to address at every stage. There is a concern that these impediments could affect the India story. Given the huge opportunity, India needs to address these quickly and decisively. That will ensure that nothing can come in the way of India's march towards the golden phase of growth.

In the pages that follow, we bring you the stories of champion CEOs and how they emerged winners. BT

@krishnagopalan

TATA'S TITAN

N. CHANDRASEKARAN HAS DEFTLY MANOEUVRED THE TATA GROUP'S FORAY INTO NEW BUSINESSES, ADDED MUSCLE TO EXISTING ONES AND LAID THE FOUNDATION FOR SUSTAINED AND HEALTHY GROWTH

BY **SOURAV MAJUMDAR** AND **KRISHNA GOPALAN**

PHOTO BY **BANDEEP SINGH**

LEADING FROM THE FRONT
N. Chandrasekaran,
Chairman, Tata Sons

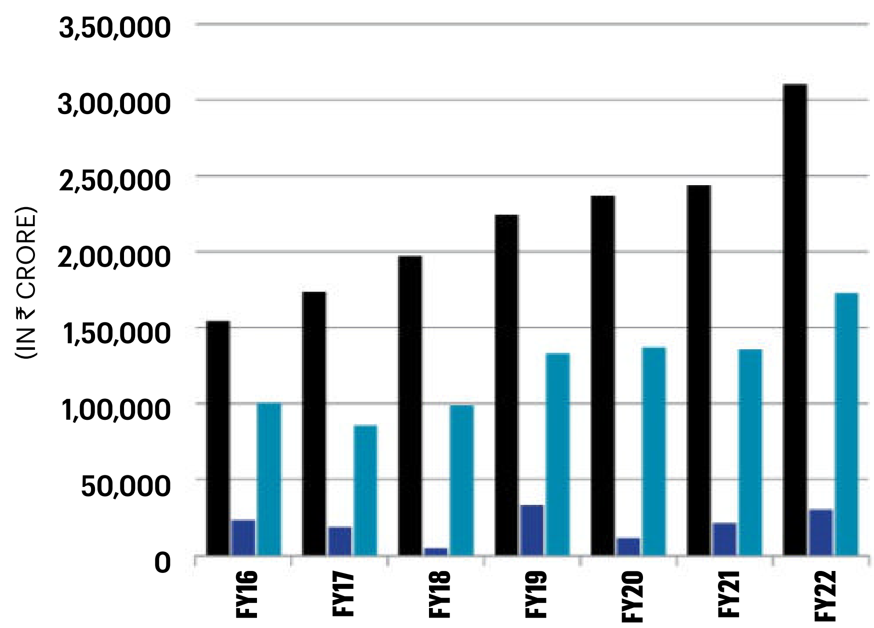
WHEN THE REFURBISHED Bombay House opened its doors on July 29, 2018, it marked another moment in history for the iconic headquarters of the Tata group. The new had not replaced the old. Instead, the conventional core received a contemporary brush, with high-tech offices, a digitally enhanced visitor experience centre, doors that open with the touch of a finger, and a cool Starbucks outlet, too. The structure from the British era, which was completed in 1924, retains its neo-classical look. Yet, it is in touch with the times. The evolution of the Tata group itself is not very different. The conglomerate, which began life in 1868 as a private trading firm founded by Jamsetji Nusserwanji Tata, and then moved into hotels, steel, automobiles, power, IT, financial services, retail and a myriad other businesses over the past century and more, now readies itself for a new world shaken frequently by large doses of disruption. Yet, there are exciting opportunities that emanate from that very disruption, which could further propel the transformation of the 155-year-young conglomerate.

Spearheading this unique transformation is Natarajan Chandrasekaran, 59, a soft-spoken man who takes tough decisions easily. There is an easy informality to the persona of the seventh Chairman of Tata Sons, borne perhaps of his software background—he insists on being called Chandra during his interaction with *BT* for this story—but there is nothing informal or easy about the task he has before him, or about what he has overcome thus far. His story at the top of the Tata group began as a surprise appointment in February 2017 following one of corporate India's biggest scraps—a boardroom battle that saw erstwhile chairman Cyrus Mistry (since deceased) being ousted followed by an acrimonious court battle and slanging matches. The markets were jittery, and the group's direction seemed unsure. But Chandrasekaran, once appointed and settled, changed it all. "He brought in the much-needed calm, and markets immediately recognised that under his leadership, the group was in safe hands," says HDFC Chairman Deepak Parekh. "If one knows Chandra well, he is open and frank about where he sets his boundaries in his capacity as Chairman of the group."

Chandrasekaran's leadership has eased the Tata group's growth stutter into a nice, firm rhythm, almost synonymous with his tempo on a marathon run, soft

VIGOROUS BALANCE

With its top line growing consistently after the pandemic, Tata Sons' profits are also on an upward trajectory



■ TOTAL INCOME ■ PAT ■ NET WORTH (AT THE END OF RESPECTIVE FINANCIAL YEAR); **SOURCE** ACE EQUITY

WINNING STREAK

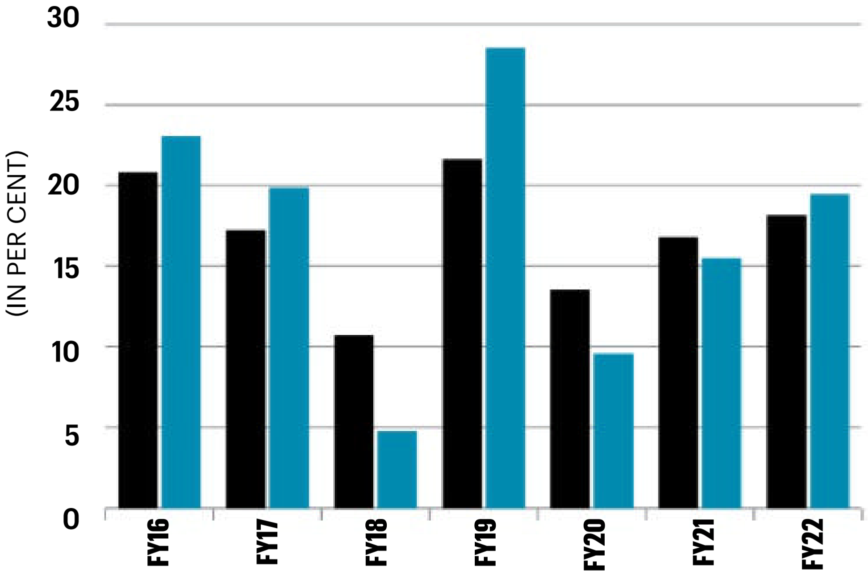
OCT '17 Tata Sons transfers consumer mobile business of Tata Teleservices to Bharti Airtel

APR '18 The group announces the consolidation of various businesses across aerospace and defence sectors under a single entity

MAY '18 Tata Steel acquires Bhushan Steel for over ₹35,000 crore

TANDEM PLAY

Tata Sons' return on capital employed and return on net worth are also moving up after falling during the pandemic



■ RETURN ON CAPITAL EMPLOYED ■ RETURN ON NET WORTH
SOURCE ACE EQUITY

feet, sure footing, steady pace, no rush, no frenzy, yet effective. "Chandra is a great combination of a marathon runner and a chess grandmaster," says Amit Chandra, Chairperson of Bain Capital Advisors (India) and a former Tata Sons board member. "He does not play for the short term. His moves are carefully thought through and strategic."

The man himself stays humble and focussed on the job. "I am still growing into [the job] and I don't think I will [ever] fully grow into it," says Chandrasekaran, sitting assuredly at his desk in the Chairman's office on the high-security fourth floor in Bombay House. "It is a journey and I consider myself fortunate to be here." (*Read his interview on page 68.*) To be sure, it is not easy to get used to leading a $128-billion conglomerate with 30 companies across 10 verticals and hundreds of subsidiaries across most businesses you can think of, employing an estimated 935,000-plus people across six continents and 100 countries.

A small anecdote here to underscore this heterogeneity. Soon after he took over as Tata Sons boss, he was with his father in Mohanur, their hometown in Tamil Nadu. As news of his visit spread, a local Tata Motors dealer sent a kit that had agricultural tools and implements with the Tata group logo. "I had no idea which group company made them and asked Harish Bhat [Tata Sons Brand Custodian], who managed to find out that it came from a subsidiary of Tata Steel," says a smiling Chandrasekaran, who joined the conglomerate in 1987.

That situation has certainly changed, albeit it has been anything but easy. From running one company (software giant TCS, as its CEO from 2009 to 2017) to taking a huge leap to run the entire Tata group is not a task for the faint-hearted. According to Sougata Ray, Thomas Schmidheiny Chaired Professor of Strategy & Entrepreneurship Practice at ISB and a long-time tracker of Indian conglomerates, the challenge and complexity of running the group when it was marred in an unfortunate controversy surrounding leadership succession must have been daunting for a non-family professional. "The influence of the Tata Sons Chairman on the group companies, to a large extent, is derived from the positional authority and personal charisma of the leader. That was an open question as the legacy of Ratan Tata still loomed large. In that sense, gaining acceptability, trust and respect among the top leadership team across the group companies was the foremost challenge," says Ray, adding that it is remarkable for Chandrasekaran to have earned that pretty quickly and quietly without much of a fuss.

"Chandra spent the first few years building the framework for the long term and fixing the most burning issues," says Amit Chandra of Bain, adding that thereafter he shifted gears to pursue robust and sustainable growth, accompanied by strong shareholder value creation. And value he has created aplenty. Between

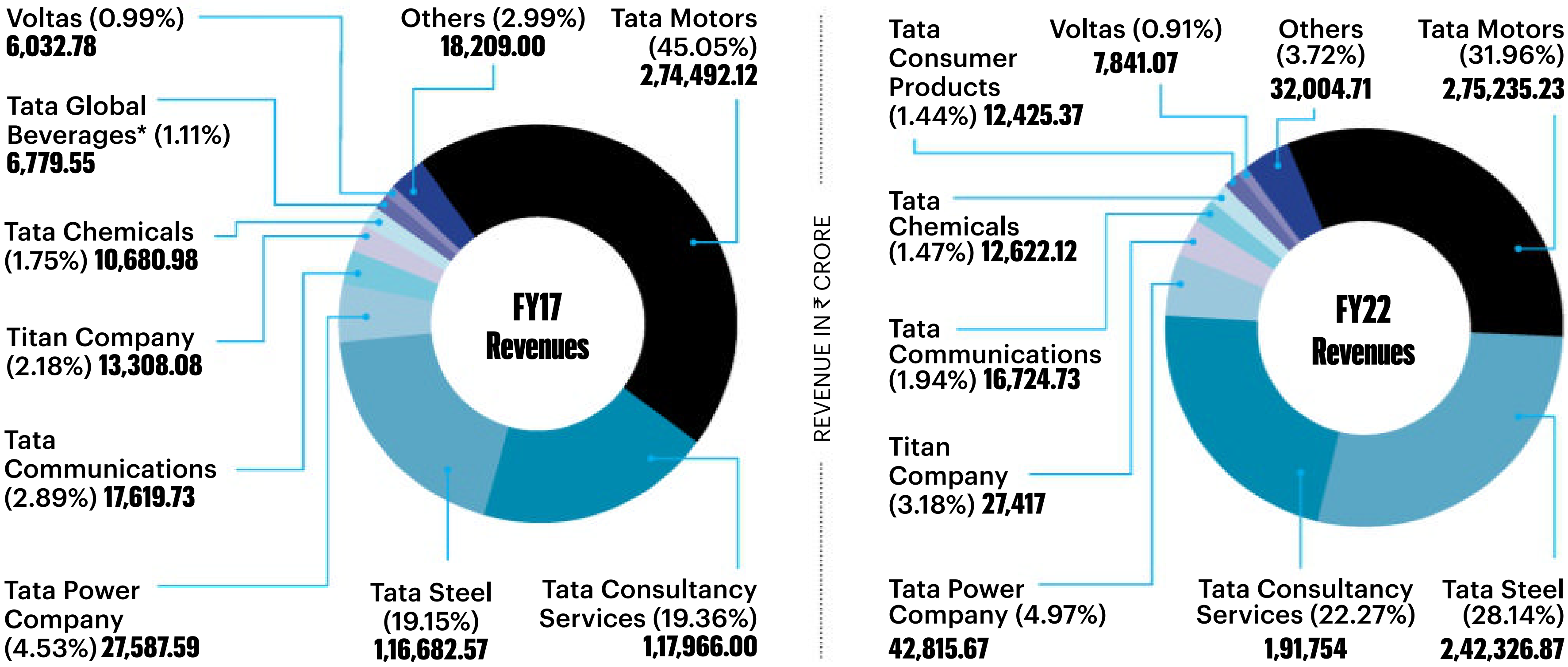
SEP '18 Tata Steel buys Usha Martin's steel business for ₹4,094 crore; Indian Hotels retains Taj Mansingh, Delhi

MAY '19 Consumer businesses of Tata Chemicals and Tata Global Beverages combined to create Tata Consumer Products

SEP '20 Tata Projects wins a bid to construct the new Parliament building, Central Vista, for ₹862 crore

THE CHAND

Revenues of the Tata group's listed companies have increased by more than 7 per cent annually (CAGR) between FY17 (₹6.09 lakh crore) and FY22 (₹8.61 lakh crore)...



FIGURES IN BRACKETS INDICATE SHARE OF GROUP REVENUES; *IN 2019, THE GROUP ANNOUNCED THE COMBINATION OF ITS CONSUMER BUSINESSES TO CREATE TATA CONSUMER PRODUCTS; **SOURCE** ACE EQUITY

FY17 and FY22, the group's return on capital employed (ROCE) and return on net worth (RONW) went up from 13.5 per cent to 22 per cent, and from 11.5 per cent to 21 per cent, respectively, research by *BT* shows. Also, the consolidated revenues of the group rose to ₹9.56 lakh crore in FY22 from ₹6.56 lakh crore in FY17. In the same period, as per data from ACE Equity, the group's listed companies have cumulatively grown their market capitalisation by an astonishing 149 per cent. That is akin to an elephant sprinting at the pace of a leopard.

More pertinently, unlike earlier times, non-TCS companies have contributed their might to this growth sprint. While TCS's share of group revenues has stayed at around 20 per cent in the six years that Chandrasekaran has been at the helm, its share of net profit has fallen from 90 per cent-plus to around 50 per cent now. This, despite the fact that TCS, a ₹2,25,458-crore (FY23 consolidated revenues) behemoth that is among the world's top 10 IT services companies by revenue, has itself seen its top line and bottom line climb an unreal 91 per cent and 60 per cent, respectively, from FY17 to FY23. This clearly indicates that other companies, which have played second, third, fourth, nth fiddle to TCS over the years, are now growing faster than the software major, and striving to claim their rightful place under the Tata sun.

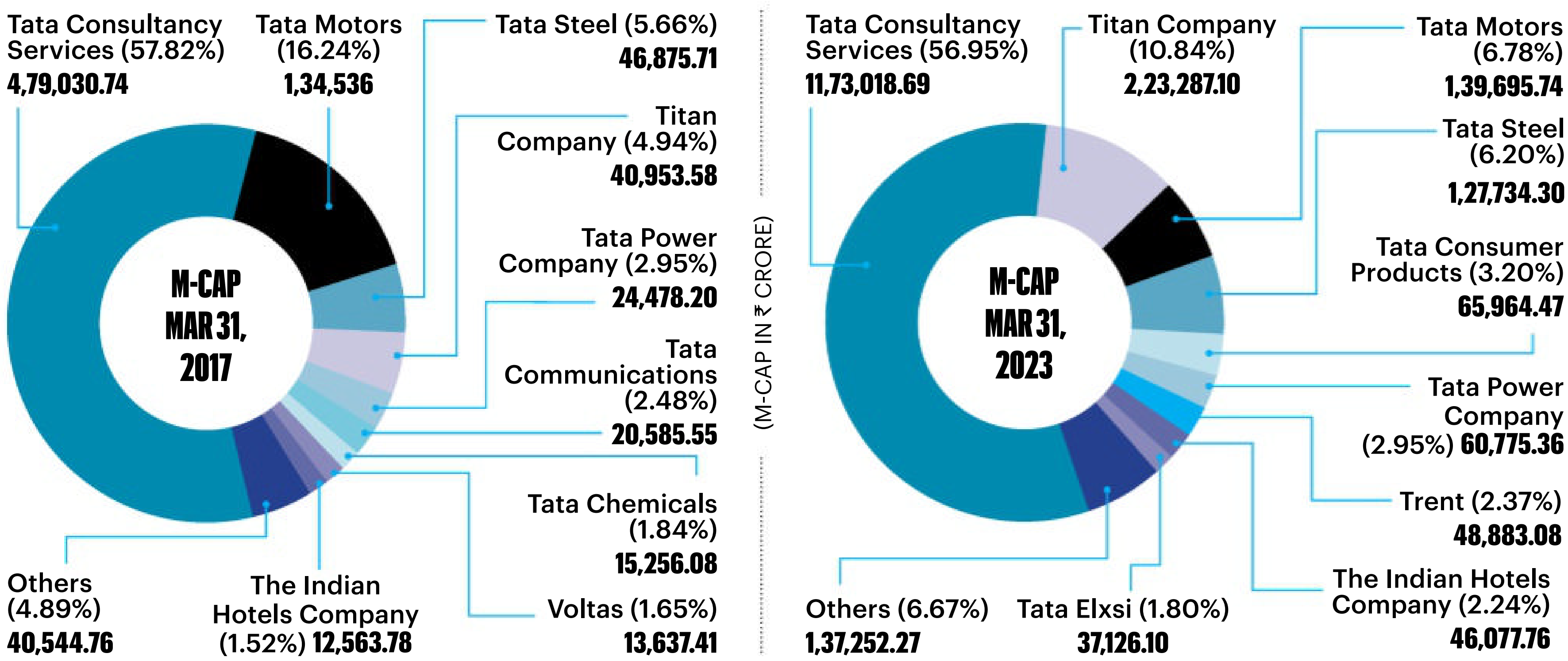
Sweet irony that this trend is being driven by a man with software in his blood. No wonder the Jury of the *BT*-PwC Best CEOs Awards were unanimous in selecting Chandrasekaran as the recipient of the Business Icon of the Year award.

DEC '20 Tata Power announces the acquisition of all four Odisha power distribution companies, adding more than 9 million consumers

MAY '21 Tata Digital picks up a majority stake in bigbasket, India's largest e-commerce player in the food and grocery space

RA EFFECT

... and the market cap of its listed companies has jumped nearly 149 per cent—from ₹8.28 lakh crore on March 31, 2017 to ₹20.60 lakh crore on March 31, 2023—after N. Chandrasekaran took over



FIGURES IN BRACKETS INDICATE SHARE OF GROUP M-CAP

SOURCE ACE EQUITY

THE GROUP HAD been on a growth path for several years, but there were niggling issues. According to Rajiv Memani, CEO of EY India, while a few businesses faced strategic challenges, "Chandra with his 3S strategy of simplification, synergy, and scale, addressed them well". That meant giving strong, strategic direction to businesses that were not doing well. "He attracted the right talent at CXO-level positions and got in those who share his values and mindset. At the same time, hard and bold decisions [were made] on some assets," says Memani. One such hard decision was on exiting the cash-guzzling industry of telecom, when its consumer mobile business, Tata Teleservices, was merged with Bharti Airtel, a process that was completed in July 2019. "It was a business I had to decide on quickly," says Chandrasekaran. Memani gives him credit for his focus on creating future multi-billion-dollar businesses "by doubling down on financial services and new economy businesses like bigbasket, 1mg, Tata Neu, pivoting the group completely towards new areas of growth. Simultaneously, he has looked at value creation in high-tech manufacturing, including EV batteries and semiconductors."

Chandrasekaran's approach has manifested in multiple ways through his decisions and strategy for different businesses. Take, for instance, the doggedness in the buyout of state carrier Air India. Nationalised in 1953 after being acquired from the Tatas, the airline returned home in early 2022. "It was a tough one and it helped that the government was keen on getting it done. We worked on it for a year with a team of 150 people," says Chandrasekaran. In Parekh's opinion, the takeover of Air India and the subsequent mega airplane order (in February 2023 for 470 aircraft worth $70 billion), will always be highlights of Chandrasekaran's career.

Or take Tata Steel, which doubled down on its India growth strategy with M&As, especially the buyout of Bhushan Steel in mid-2018 for ₹35,200 crore. "Tata Steel needed to have scale in India because its business was

JUN '21 Tata Digital acquires majority stake in 1mg, a top player in the e-pharmacy space

SEP '21 Tata Steel divests its entire holding in NatSteel for $172 million

JAN '22 Tata Sons formally takes control of Air India at an enterprise value of ₹18,000 crore; becomes the title sponsor of IPL from 2022

FEB '22 Tata Power announces collaboration with RWE Renewables, a top offshore wind energy producer, to explore potential for development of offshore wind projects in India

equally split between the domestic market and Europe," says Chandrasekaran. "The issues in Europe could not be solved overnight and the only way to do it was to make India 90 per cent. So, I was quite aggressive in buying Bhushan Steel and that completely changed the game." Says Memani of EY: "If you don't think scale, you can't work with Chandra!" The M&A strategy was also effectively used to pick up digital-native start-ups 1mg, Curefit and bigbasket.

Guiding some businesses in a different direction was also on the cards. One such was demerging the consumer products business of Tata Chemicals and merging it into Tata Consumer Products Limited (TCPL, earlier known as Tata Global Beverages). "I told them that [TCPL] was not a beverage company but an FMCG company. That's why we called it Tata Consumer Products," emphasises Chandrasekaran. One of the directors of the erstwhile Tata Chemicals expressed some apprehension and wrote to him saying, "You should not be doing this." Believing it was a view that combined concern and love, he recalls how the same individual wrote back later saying, "It was done incredibly well."

Another company that Chandrasekaran helped change direction was Tata Motors. He recalls how the government said it wanted to move on electric vehicles (EVs). "I called the team at Tata Motors and told them I am not an auto guy, but we need a car in six months," he narrates. Guenter Butschek, then Tata Motors' CEO and an industry veteran who had spent many years at Daimler AG, replied with a wry smile that it takes three to four years to build a platform. Not willing to take no for an answer, the Chairman then asked for Butschek's Executive Assistant, Shailesh Chandra (since elevated to Managing Director of Tata Motors Passenger Vehicles and Tata Passenger Electric Mobility), a person whom he was impressed with. "Quickly, I asked Shailesh to put together a team and he got in talent from group companies like Tata Chemicals and Tata Elxsi," he says. Over 50 members parked themselves in the company's Sanand plant and the work was done. "We removed the internal combustion engine and put the battery in. There were teething problems, but it worked out and we got our share of the tender."

Today, Tata Motors' EV successes include Tiago, Tigor and Nexon, and its overall share in passenger vehicles is a whiff away from second-placed Hyundai, a momentous feat for a company that till a few years ago was perceived as a taxi maker and was struggling to connect with the personal vehicle buyer.

Chandrasekaran has another reason to be happy. He has a home in Palava City, about 50 km from Mumbai. Soon after he took over as Chairman, his wife Lalitha would count the number of cars on the way there. "Where are the Tata Motors cars?" was a constant question from her, since the road was overwhelmingly dominated by the likes of Maruti and Hyundai. "We surely have a presence today; it may not be three in five cars but two or one in five. We have travelled some distance," he says with a wide smile. Today, Tata Motors has multiple models selling 10,000 units a month. "That had never been the case [earlier] and analysts wonder how this is true. It's hard for a lot of people to believe that our PV, CV and JLR (Jaguar Land Rover) businesses are making a profit," he adds with a laugh.

Chandrasekaran also gave strategic inputs to Tata Power, which was struggling for growth in revenue and profit. In FY21, the company had consolidated revenues of ₹32,703 crore but net profit of only ₹1,439 crore. By entering new markets and business opportunities like renewable energy, net profit increased to ₹2,156 crore on revenues of ₹42,816 crore. "Now, we will be close to ₹4,000 crore [in net profit in FY23]," he says.

Hopping back to the 3S strategy, Memani's view is that Chandrasekaran has brought synergy between the

APR '22 Tata Digital unveils super app Tata Neu; Tata Realty and Canada Pension Plan Investment Board announce JV to develop and own commercial office space across India

OCT '22 Tata Advanced Systems to set up final assembly line for Airbus C-295 military aircraft at Vadodara to manufacture 40 C-295 military transport as part of a ₹22,000-crore deal to supply 56 planes

"The mark of a good leader is one that leads from the front, and one that takes both the bouquets and brickbats with the same composure. That's Chandra for you"

DEEPAK PAREKH
CHAIRMAN, HDFC

"Chandra is a great combination of a marathon runner and a chess grandmaster... He does not play for the short term. His moves are carefully thought through and strategic"

AMIT CHANDRA
CHAIRPERSON, BAIN CAPITAL ADVISORS (INDIA)

"The increase in the group's market capitalisation since he took over is a testimony to the strategic transformation Chandra has led"

RAJIV MEMANI
CEO, EY INDIA

group companies in a manner that now has more impetus on leveraging technology. "The business structure is a lot simpler with a focus on achieving scale in both traditional and new businesses with the use of technology," he says. "The increase in the group's market capitalisation since he took over is a testimony to the strategic transformation Chandra has led."

Despite being a software man, Chandrasekaran says he is extremely bullish about the group's conventional businesses such as Tata Steel, Tata Power and Tata Motors' commercial vehicles business. "I also like the way Indian Hotels is reinventing itself by keeping the exclusivity at the high end or what they are doing with Ginger," he says.

On Tata Motors, he says with a smile that the commercial vehicles piece is as important as passenger vehicles. A big moment for the company was the acquisition of JLR in 2008 and he touches the wood of the table gently before outlining the plan. "I am hoping it has great years ahead. It is very strong operationally with iconic products, and there is a lot of optimism about the pipeline for 2024-25. We must get it right with the electric range apart from fixing issues around the supply chain," says Chandrasekaran. Ways to derive synergies between Tata Motors and JLR is an ongoing exercise. "Opportunities in engineering, design, supply chain will also be looked at, or how we can increase JLR's sales in India."

From a long-term perspective, defence is another area of interest, where he sees scale and the need to export. "We see opportunities in the US, the UK and the rest of Europe and Japan. India will also buy a lot of defence." There's also a new foray planned into semiconductor manufacturing through group company Tata Electronics, which announced the appointment of former Intel Foundry Services President Randhir Singh as its CEO & MD in April.

DR. AMEET PAREKH IS CHANGING THE WORLD OF BUSINESS THROUGH HIS SIGNATURE COACHING PROGRAMS.

As the business world continues to expand with the rapid growth of the global economy and technological developments, it's an exciting time for business owners to pursue their dreams of creating and growing successful businesses. However, with growth comes inevitable challenges such as managing internal systems, people and creating winning strategies. Many businesses struggle to navigate these obstacles and find themselves stuck in their own operations. That's where the invaluable guidance of a business coach comes in and one figure stands out in the world of business coaching is Dr. Ameet Parekh. Over the past decade, Dr. Parekh has been transforming and supporting thousands of businesses through his programs, courses and one-on-one coaching sessions, making him one of the most sought-after business coaches in the industry.

Dr. Ameet Parekh's journey started from humble beginnings in a service-class family. Post his management studies, he embarked on a corporate career, where he dedicated 14 years of his life. However, despite his hard work, he found himself lacking in financial and time freedom, which fueled his desire to create a greater impact through entrepreneurship.

Driven by this passion, he started building his own businesses and within a decade, had established multiple successful enterprises that generate multi-crore earnings. Driven by his own success, Dr. Parekh turned to teaching and consulting businesses on how they too could achieve remarkable results. His expertise and experience led him to establish a business coaching company, which today is actively supporting thousands of business owners across industries to scale and grow their businesses.

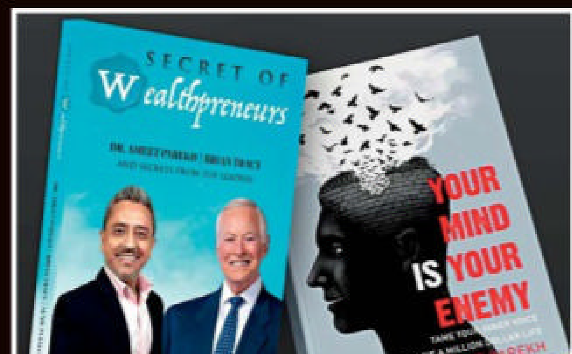
Dr. Ameet Parekh and his team actively coaches thousands of business owners in many industries today on how to scale and grow their enterprises. His coaching firm provides a variety of programmes and courses to assist business owners at different phases of their enterprise development. One workshop that assists business owners in this regard is a four hour Entrepreneur to Wealthprenur Challenge Workshop. While the Wealthprenurship Masterclass is a three-day course that assists business owners in establishing five key frameworks for their enterprise, which includes, fixing their business models, establishing strategies for marketing, sales and operations, managing cash flow and creating effective processes for enterprise management.

One-on-one business coaching, provided by Dr. Ameet Parekh's team of business specialists, is the greatest level of assistance he provides to business owners. Through this service, businesses receive specialised advice on how to overcome specific issues or achieve certain goals.

Dr Ameet Parekh's coaching and training over the past decade has created many case studies in a variety of sectors, including manufacturing, service industries, consulting, retail & distribution, all having produced positive outcomes. Ranging from increased profitability of 800% to increasing revenue by 2X, 3X and even up to 10X.

As a result of such incredible achievements, Dr Ameet Parekh has won numerous honours, including the Times of India award for being an iconic business coach, the Economic Times award for being India's top business coach in 2020 and the Most Trusted Business Coach in 2022 by Global Excellence committee. He is also an author of two best-selling books "Your Mind is Your Enemy" and "Secrets of Wealthprenuer," which is co-authored by Brain Tracy.

Having a business coach is something that Dr. Ameet Parekh advocates strongly. He believes that creating and expanding a business requires a lifelong process of improving one's skills and avoiding expensive mistakes due to trial and error. A business coach is a specialist who knows how to develop procedures, set up strategies and recruit capable team to assist any business owner expand and scale more quickly. In particular, a business coach can assist entrepreneurs in

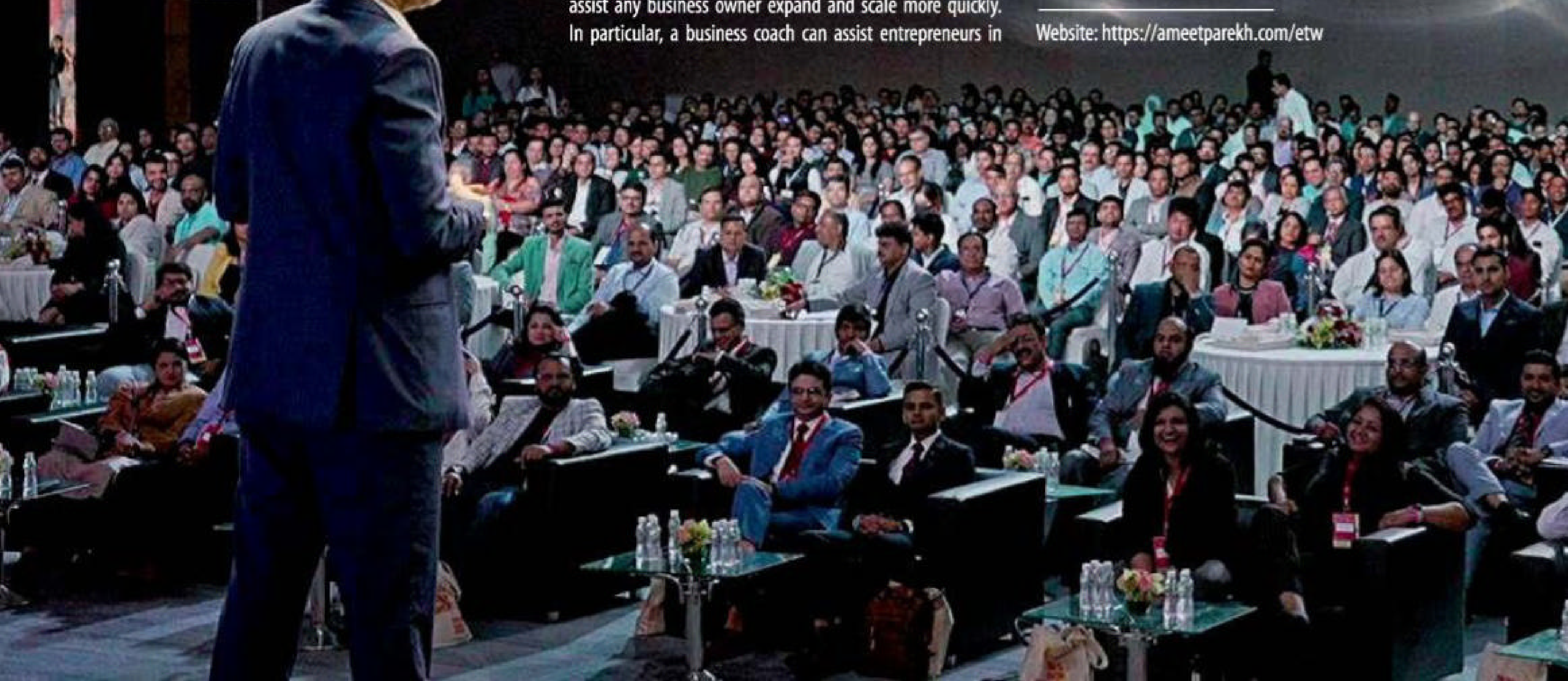


making the shift from working in their business to working on their businesses.

Due to this knowledge gap, the majority of small and medium-sized enterprises are either barely surviving or are bleeding. By filling the knowledge gaps of the business owner community, he contends, the MSME sector may advance to a new level. While training teaches a curriculum, coaching focuses on the student's needs and gaps. Coaching imparts implementation support and provides hand-holding and more over it creates accountability which at the end leads to sustainable results.

Dr Ameet Parekh's workshops and programmes are intended to assist business owners who are at various stages of development in creating the foundations for success. Visit Dr. Ameet Parekh's website below to learn more about him and his business growth programmes.

Website: https://ameetparekh.com/etw



So, what is Chandrasekaran in the leadership role all about and how can one assess him in the midst of a complex business environment juxtaposed against a group that is unbelievably heterogeneous? "The mark of a good leader is one that leads from the front, and one that takes both the bouquets and brickbats with the same composure. That's Chandra for you," says Parekh of HDFC, adding that his relationship with the Tata Sons Chairman goes back much before he took over the corner office at TCS in 2009. "I have known him way before that. In 2001, we worked together on a joint venture between HDFC and TCS. That was Intelenet, one of India's earliest business process outsourcing (BPO) firms. Even at that time, I gauged he was an unusually bright young man."

In February 2022, Chandrasekaran was reappointed Chairman of Tata Sons for five years. "We have all the pieces and now need to execute," he says, on the difference between his first and second term. "It is a 3S-plus-one strategy, with talent being the addition. There is a need to prepare our companies for the future, bring in a lot more depth in new technology and be more agile." Apart from the obvious big boys in the group, it has high performers like Titan, Tata Auto Components, and Tata Elxsi. "We will list Tata Technologies and there is a lot to look forward now at Tata Communications."

Bain Capital's Chandra highlights the current global scenario to drive home the point on where the Tata group is placed. "At a point of time when India is a rare shining spot globally, cash flow-based value creation is once again valued and there is increased scrutiny on the ESG front by all. The Tata group is very well positioned to capitalise on growth opportunities. Chandra has brought a lot of discipline to capital allocation and some of the futuristic investments are jointly equity-funded by external investors to share risk," he says. Chandra thinks the group is not shunning new-age opportunities but actually incubating some of them internally: "That is a much smarter way to play the long game."

For Chandrasekaran, the current term is about hard work every day. "I get involved wherever there is a need. We have people who are very good at strategy and execution, and our approach has been horses for courses," he says. Of course, there is no dearth of that nasty surprise. "We thought we were ready with our automobile business after having fixed all the issues. Then, we had the semiconductor crisis. Steel was looking great till export duty came and changed everything."

Challenges are an inherent part of any business's story. "Perhaps the two things it [Tata group] will need to think harder about are how talent today views jobs, which has changed a lot in the last decade. And to keep accessing quality talent, it might have to do some things differently. Secondly, the pace of disruption has picked up over the past decade and while it might slow down a bit with a funding winter, that might be temporary. It means the group will have to stay agile and be ahead of the curve in changing strategy," says Bain Capital's Chandra.

Meanwhile, Chandrasekaran is clear that as a culture, the group must be more agile and, as he puts it, be prepared to "fall forward". Meaning? "It is okay to fail, and the only time you won't fail is when you don't do anything. Fall, but have the energy to get up and run again." That's the kind of touch and calming influence that will be critical to the Tata group as the world of business goes through one of the most disruptive phases ever seen.

For the man, a personal milestone of turning 60 in June would only spur him to greater heights. "I need to be at my fittest at 60," he says. He would be echoing the collective voice of the entire Tata group. **BT**

@TheSouravM, @krishnagopalan

NOV '22

Air India signs pacts to acquire AirAsia India; commences process to merge it with Air India Express; Tata group announces plan to consolidate its airlines, Vistara and Air India

JAN '23

Tata group ranked 69th in the Brand Finance Global 500 2023 rankings with a brand value of $26.4 billion

FEB '23

Air India signs letters of intent to acquire 470 aircraft; Tata group becomes title sponsor of inaugural Women's Premier League

MAR '23

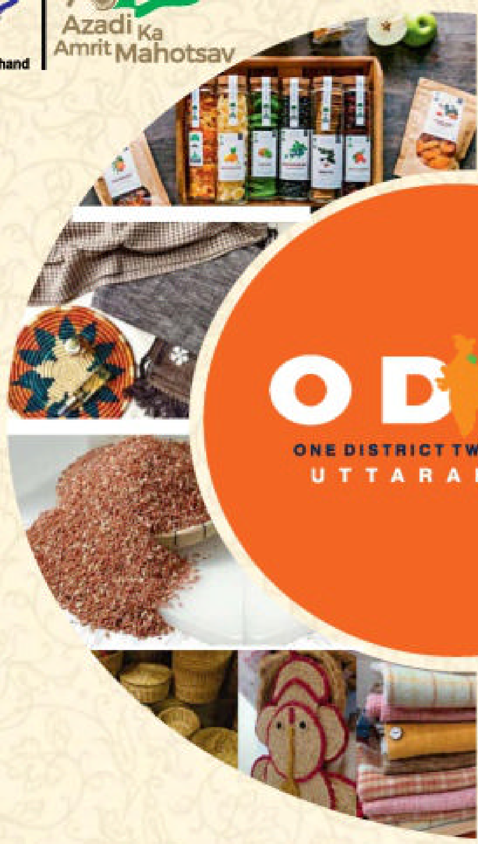
Tata Motors rolls out its five-millionth passenger vehicle

Govt. of Uttarakhand

75 Azadi Ka Amrit Mahotsav

संकल्प नये उत्तराखण्ड का

G20 भारत 2023 INDIA
वसुधैव कुटुम्बकम्
ONE EARTH ONE FAMILY ONE FUTURE



ODTP
ONE DISTRICT TWO PRODUCTS
UTTARAKHAND

Narendra Modi
Prime Minister

Pushkar Singh Dhami
Chief Minister, Uttarakhand

LOCAL PRODUCTS GETTING RECOGNITION THROUGH ONE DISTRICT-TWO PRODUCT SCHEME

ALMORA

Baal Mithai

Tweed

HARIDWAR

Jaggery

Honey

PITHORAGARH

Woolen Carpets

Munsyari Rajma

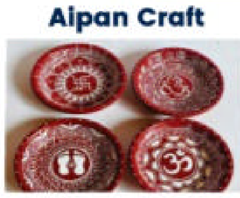
BAGESHWAR

Copper Products

Kiwi Products

NAINITAL

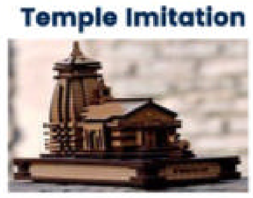
Aipan Craft



Furit Processing

RUDRAPRAYAG

Temple Imitation



Cholai Products

CHAMOLI

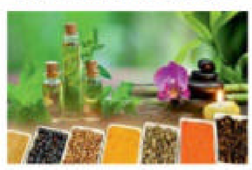
Handloom Products

Rose Water

PAURI

Wooden Craft

Herbal Products



TEHRI GARHWAL

Paneer

Tehri Nath

CHAMPAWAT

Iron Based Products

Honey

Tourists should spend 5% of their travel spending on local products : Prime Minister

To achieve the goal of self-reliant country Prime Minister Narendra Modi has spoken of Vocal for local. With the aim of promoting local products, One District-One Product Scheme has been started by the Government of India.

Uttarakhand Government has taken this scheme forward as "One District Two Products" under the leadship of Chief Minister Pushkar Singh Dhami.

Programme done in Mana Village near Badrinath Dhaam Prime Minister Shri Narendra Modi has appealed to the people of the country to spend 5% of their travelled spending on Local Products.

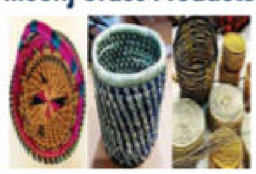
Due to this tremendous a big change will be seen in local economy.

Any region is identified by its local language & products. Efforts should be made to promote them.

UDHAMSINGHNAGAR

Mentha Oil

Moonj Grass Products



DEHRADUN

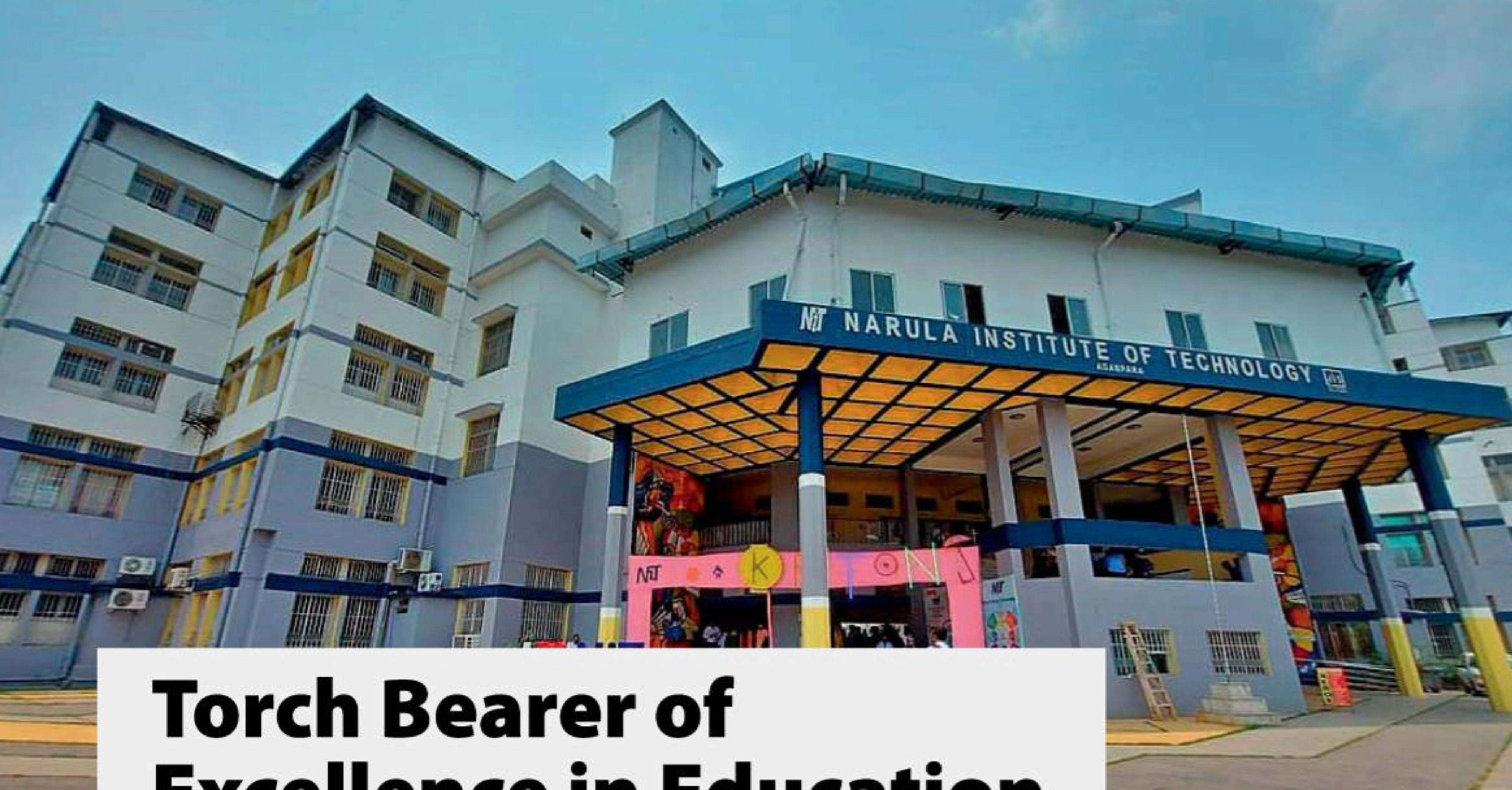
Bakery Products

Mushroom

UTTARKASHI

Red Rice

Apple Products



Torch Bearer of Excellence in Education

TARANJIT SINGH
Managing Director, JIS Group

Chancellor of JIS University, Kolkata, West Bengal, Sardar Taranjit Singh, started with the mission and vision to fulfill his father's dream of a centre of excellence in higher education, research, entrepreneurship and skill development. Built on the foundation of strong values and integrity, the university with 37 colleges under its umbrella, has grown to national stature, global in its pedagogy for nurturing thousands of worthy, future leaders imbued with innovative mindset and knowledge to function in a globally competitive environment.

What inspired you to take on such an enormous and socially responsible initiative particularly in the NorthEast Region?

The inspiration primarily came from my father, who was passionate about education. He inspired all of his three sons to establish an education hub in the East, where we would ensure quality education system for the growth and bright future of students. We know that the eastern part of India, especially West Bengal, has a conducive ecosystem to nurture thriving education, which prompted us to establish JIS University in Kolkata.

JIS has emerged to become the largest campus of higher education in the eastern region. What are the offerings of this hub of quality education?

After a long journey of 24 years, JIS has truly become the ultimate destination of quality education and one of the largest educational groups, pan India. At present, we have 39000+ students in our 37 colleges' offerings 170 courses. The dream has come true due to the hardwork and commitment of our faculty members and students. We have equipped our laboratories and workshops with the latest technologies, set up libraries which include e-resources, besides ensuring discipline not only in classrooms but also on the campus and hostels. Even during severe pandemic times we were able to continue online classes and conducted more than 38000 lectures for the students. Besides, we have organized numerous student activity classes for their holistic development and placement grooming sessions are held as well from day 1 so that the students become industry fit. We have also established several centers of excellences (COEs) and entered into a number of MOUs with IITs, IIMs, global & reputed universities and chambers for ensuring quality enhancement of our students to become

extraordinary in life.

At JIS, there are interesting choices of subjects and their programs. What is the reasoning that goes behind when choosing the subjects? And are there new courses in the offing?

We give maximum importance in offering any course by surveying how much these courses are on demand by the industry and service sectors. For example, we have started Biomedical Engineering, Automobile Engineering, Food Technology, Computer Science with AI & ML, Cyber Security, Data Science and Digital Marketing, as there is high demand of workforce in these areas across the globe. We have a dedicated R&D team who are engaged to find out the latest trend and future demand of the subjects. These courses are very popular among the students and academics.

At JIS, what leads your vision for a campus that is global, but local in spirit, and how has it helped in attracting the best brains and faculty beyond boundaries?

Global curriculum is actually pedagogical activity that fosters multiple prospective and true deconstruction of stereotypes for building a learning centered approach to foster critical awareness of global challenges and engagement of sustainable lifestyle. We are empowering the teaching methodology for our students to understand themselves and the world around them. By accomplishing meaningful, demanding work or skills, we help students to cope up to become leaders in transforming the world. To achieve our mission, we send our students and faculty members to various reputed and recognised universities for engaging ideas, sound experiences, participating in projects and research and development of various programs etc.

JIS Group institutions not only encourage students from different parts of India but also from countries such as Bangladesh, Nepal, Bhutan, Africa etc. This is how it's looking beyond boundaries not only in India but from other places as well attracting scholars and researchers. We are proud to have Dr. D D Patra, former vice chancellor of Bidhan Chandra Krishi Vidyala and Dr. Paritosh Sinha, the renowned agricultural scientist.

What are the major milestones of JIS that you consider to be outstanding in its journey so far, and the way forward from here?

The first major success by JIS College of Engineering, at Kalyani achieving for autonomous status recognised by the UGC, followed by Narula Institute of Technology and Guru Nanak Institute of Technology respectively, under the umbrella of JIS Group of Educational Universities. The second milestone was achieving NIRF ranking by Narula Institute of Technology, JIS College of Engineering, Guru Nanak Institute of Technology, Guru Nanak Institute of Pharmaceutical Science and Technology and Guru Nanak Institute of Dental Sciences and Research. It is noteworthy, that the Dental Science College of JIS is the first private dental science college of West Bengal. Meanwhile, JIS University became functional from the year 2015 and establishment of JIS Institute of Advanced Studies and Research (JISIASR) in the same year are various achievements by JIS Group. JISIASR has bagged a number of research projects from various government, national and international universities under the leadership of eminent scientist Padmashree Dr. Ajay Ray. Apart from the medical and 2 dental science colleges various health care oriented courses are offered.

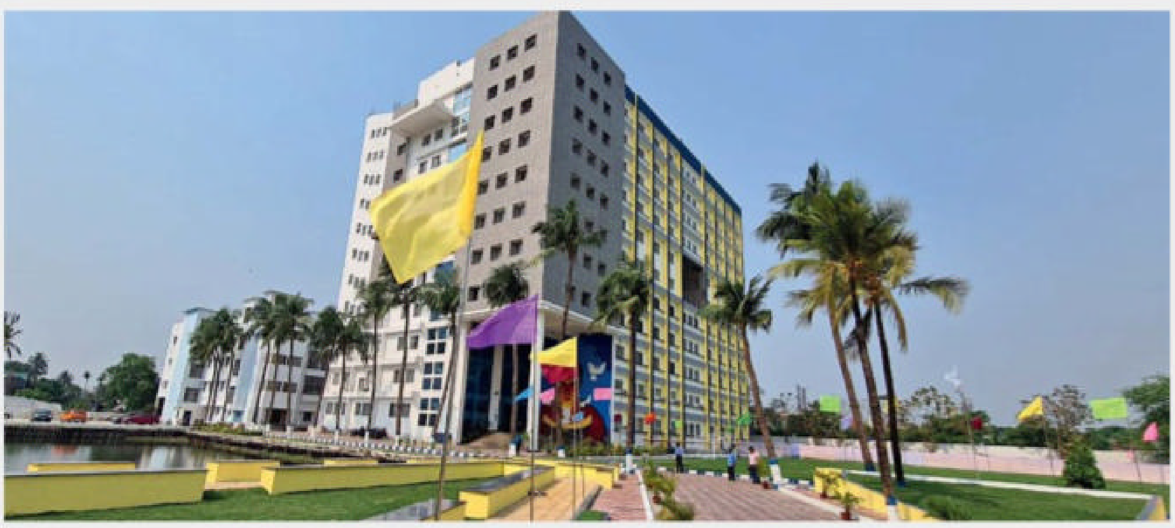
The first teacher of a child is the mother. What are the values that you have imbued from your parents that have helped in your journey of life, and how are you inculcating them in the youth?

All moral principles and attitudes that a child may later express are primarily taught by mothers. A child admires everything what the mother does. As a result, moms aid in establishing many other qualities, such as compassion, perseverance, kindness, courage, and respect. All this helped me be focused in achieving my father's dream to build world-class JIS Group "Educational Initiatives" where Education is Beyond Ordinary. With education we also provide all the motherhood morality that is always maintained in all our institutions as we say, the campus environment not only in the institutions, but also in our corporate office which always enhances productivity of employees at work place.

The priceless and timeless teachings of Sikh Gurus have been guiding stars in leading a meaningful life, and how have you lived by them?

GURU and ALMIGHTY GOD are two sides of the same coin. "GUR PARMESHAR EKO JAN" Treat Guru as GOD said Guru Sahib in Guru Granth Sahib and teachings of Guru are priceless, timeless and true in all the ages. GOD prevails everywhere and so is the Guru. Guru has also been defined in our ancient scriptures as ocean, which is too vast to imagine and comprehend. He is the one who shows the righteous path to mankind to traverse in one's life meaningfully. We Sikhs seek Gurus guidance in the form of his blessing every day and abide by that. Sometimes, it becomes extremely difficult for mortals to distinguish right from the wrong, then, one should pray to GURU JI to help us to choose the right path.

Loving mankind, hurting no one and helping the needy is true service to the Almighty.

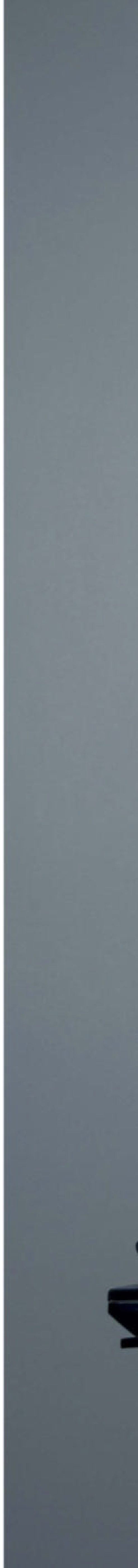


"WE ARE CREATING NEW BUSINESSES AND TRANSFORMING OLD ONES"

TATA SONS CHAIRMAN N. CHANDRASEKARAN OPENS UP ON THE ROAD MAP FOR THE SALT-TO-SOFTWARE CONGLOMERATE

BY **SOURAV MAJUMDAR** & **KRISHNA GOPALAN**

PHOTO BY **BANDEEP SINGH**



WITH A TURNOVER of $128 billion and multiple businesses, the Tata group is a behemoth. Despite being around for more than 150 years, the salt-to-software conglomerate—led by Tata veteran N. Chandrasekaran—is taking nimble steps towards capturing a slice of new-age businesses. With a capex outlay of $90 billion, the group is hoping to fire on many cylinders—such as Air India, Tata Neu, 5G and perhaps even fab manufacturing. The 59-year-old Tata Sons Chairman, who is *Business Today*'s Business Icon of the Year, talks about where the group is currently placed and what lies ahead. Edited excerpts:

You took charge in February 2017. What did you want to do with the group and its businesses then?

There is nothing more iconic [than] to have the opportunity to head this group and follow the likes of J.R.D. Tata or Ratan Tata. You are speaking of extraordinary men and when I say that, it's not just about their business acumen. It is for who they are in terms of vision, integrity, care for society or care for India—there are just so many dimensions to them. From that point of view, it was a great moment but the important thing was to understand the job and [the] multi-faceted responsibility that came with it. I am still growing into it and I don't think I will [ever] fully grow into it. It is a journey and I consider myself fortunate to be here.

Moving to the business, I do have some thoughts. Our greatest assets are the Tata brand [and] the group's value systems and in that background, I have to manage expectations. Everyone has a view on the group and how we should go about our businesses. If they have respect, admiration and affection, there is a right to express views too.

The group had a lot of complexities and there were financial challenges as well. My job

was to stabilise the group, assure all stakeholders and go about the process of building teams. One key part was to build a 'One Tata' culture, where everybody can sit together, raise the aspirations of different companies and show what we can achieve as a team.

The second part was to strengthen the financial health of the group. I wanted to take the tough decisions and that had to be done quickly. Then came the need for simple messaging, one that everyone should understand easily. Therefore, I came up with two-three lines—[such as] 'fitness first, performance next'—[where] fitness referred to a focus on the balance sheet. We then had another saying, 'direction first, velocity next'. We needed to agree where we must run and then worry about speed. The catchiest was the '3S' strategy—'simplification, synergy and scale'. One must realise that the Tata group is complex and in some sense, unwieldy. If a group has been around for over 150 years, complexity will set in and a decision taken at a certain point in time may not be relevant anymore. There is nothing we don't have—be it expertise, experience or sheer talent—across the group.

Why is the 3S strategy so important and how has it played out?

Simplification was to look at why we needed so many companies and subsidiaries. The process of re-evaluation led to the merger of the foods business to create a stronger company. Likewise, I had to decide on telecom, or for that matter, Tata Steel's strategy to have scale in India compared to an equal proportion split between Europe and the domestic market. The latter led to the acquisition of assets such as Bhushan Steel.

Synergy was obvious in the case of the foods business [the salt business of Tata Chemicals was merged with Tata Global Beverages to later create Tata Consumer Products]. Another instance was how Tata Motors came out with an EV offering in record time by picking up talent from across group firms.

Speaking of scale, my belief is not to do the marginal things. Scale is what we should be looking at for every business. Apart from all this, we must remember our heritage, tradition and evolution. Without evolution, traditions die and without traditions, evolution is meaningless. Therefore, they are all interlinked.

"WITHOUT EVOLUTION, TRADITIONS DIE; AND WITHOUT TRADITIONS, EVOLUTION IS MEANINGLESS"

For long, there has been a high level of dependence on TCS for profits. What is your view?

When I took over in early 2017, the group's combined profit was less than TCS' profit. Of course, we had loss-making businesses then. I wrote off ₹50,000 crore in telecom and had to do something similar in Tata Steel, Tata Motors and Tata Power. Now, the basis was not founded on something being wrong. To reiterate my earlier point, you will have difficult situations in a 150-year history. It was unfortunate that it all came together. Through the 3S strategy and these initiatives, we now have all these large companies strongly positioned.

Was the job more complex than what you had expected it to be?

Not really. There are a lot of talented people in the group. You need to work with them and raise their aspirations. At the end of it, you are not going to be a master of all the industries.

Over time, how many sectors and companies will the Tata group be in?

To be honest, I have gone away from that theme. Initially, my approach was to have a certain number of verticals. Now I feel we should be in certain industries with a respect for tradition and evolve them for the future. We are therefore creating new businesses and transforming the old ones. All of them have a great future. We are in the technological businesses and also in hard businesses like steel and power, which are fundamental and core in nature. In fact, I really like the steel business!

From a personal point of view, how much of a learning has this been?

All of it has been a learning. I know the basics of many

COBBLER BY PRESSTO BRINGS ALIVE SHEEN OF ACCESSORIES

A leading global brand, Pressto, which launched itself as a premium laundry in India went on to groom their customers immaculately with a clean pair of shoes! Cobbler by pressto, an allied venture of the master brand started with launch of 6 stores in India, has catered to more than 45,000 customers, and refurbished over 50,000 accessories, continuously attracting customers on the strength of its expertise and customer savvy approach.

Some of the things closest to one's heart are expensive and branded accessories that have fond memories attached to them deserving to be cherished as priceless memorabilia. Among the accessories that get prominent attention are shoes, bags and a host of other items, which tend to fade, wear and tear with use, but emotionally wrenching to discard them. Pressto's wide exposure and experience in the business made them aware on subtler sentiments of their customers and their needs. This formed the geneses of Cobbler by pressto, to restore worn-out leather, damaged handles, lustre -less look, infusing new life into the valuable accessories. Also, it supports the concept of reduce, reuse, recycle for building a sustainable world and our efforts are towards contributing in restoring the plant.

A leader in its league and sticklers for perfection, Cobbler by pressto matchless in knowhow, coupled with skill of intricate craftsmanship paired with cutting-edge technology and processes delivering 'masterpieces' revamped to match the original look of the item. Special solvents, mild and safe for delicate shoe/bag skins are used during the extensive process of repair and restoration. Our credibility is built on a sound footing of word of mouth publicity winning us new customers by the day.

The experience store of Cobbler by pressto is one-of-its-kind. Customers can visit the flagship store in Mumbai and Bangalore for a live demonstration of how their accessories would be treated and restored to their satisfaction. With a palette of 16 base colours and 222 shades, we can bring back the sheen of shoes, bags and other accessories to their sparkling new look!

Committed to protecting the environment, Cobbler by pressto has processes in place that handle effluents responsibly. The environment is just as precious to Pressto, as are your possessions.

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of these industries because I used to serve a multitude of clients during [my stint with] TCS. But I will never know as much [as] the people in the company know. I understand the drivers and also the core in each of these companies. There is no need to understand every small detail.

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It is important to have a strong B2C presence in today's world. How is the group placed on that?

I feel B2C is more important to us because we already have a fantastic set of consumers. They use a lot of our products right from Tata Tea to Indian Hotels to Trent to Westside to Titan to Tata Power or our insurance business. I truly believe the future of the consumer business is to know how to play the digital game regardless of which industry one is in.

We have very isolated entities in B2C. A banker once told me, 'You merge all the companies and call it Tata Retail.' But each of these companies is in a different stage of evolution and we could not have done that. I am a big believer in the concept of omni-channel and I think we have a very strong footprint across several consumer formats. We will then build a very strong value proposition through Tata Neu. Already, we have a huge loyalty engine, plus there are opportunities across businesses. We will put all that together.

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With the challenges Tata Neu has had, what is the way forward?

Yes, we did launch it and had a lot of hiccups. I wish we had not had them. There were a number of downloads and the app was heavy and it did not perform too well. Some experiences were not good and there have been glitches. The first six weeks were fine and then it had experience issues, product gaps and the navigation was not intuitive. I finally said, 'No more launches until we fix all this.' That's the journey so far. I think we need to add more financial services and products. That will strengthen the loyalty story and, of course, we will add Air India too.

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Does the absence of a telecom business weaken the B2C story?

No, I don't think so. We have enough consumers and they love us and want to be with us. But we have to give them the right value proposition.

There will be individual online channels and Tata Neu will be a connector. Don't underestimate the power of omni-channel. The general belief is that people who are coming to an e-store will now shop online. It does not work that way. Obviously, there are a lot of people coming online and some of them will want to see the store.

I was talking to the [Madras] Music Academy people in Chennai. They took the *kutcheris* (the music sessions) online during the pandemic but did not take the *kutcheri* experience online. The moment you take the *kutcheri* experience online, there is no need to fear that the *sabhas* will be empty. In fact, there will be a lot more people who will get interested in Carnatic music. The thinking will be—if the online experience is so good, the physical experience will be better and the halls will be full. Therefore, omni-channel is extremely powerful.

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Has Air India been your biggest bet?

Air India is more than a business. We will have to do it with discipline—it should be a business that is viable, profitable and cash-generating. At the same time, we have to remember, there is a huge focus on the customer. I get a lot of feedback—both positive and negative (*laughs*)—and it could be about the entertainment systems or how the seats can recline better, food being great or some issue with the cutlery.

You will see a lot more [on this] in the next two to three years with the best entertainment system for sure! Our goal is to make it a really world-class brand and at the end of the day, only time will tell. Our sincere effort is to create a great experience. You will see one Air India this year.

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Was there a Plan B?

I could not [have scaled up without Air India] since I did not have the routes.

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What will be the big focus areas from a new-age business point of view?

There are five businesses—Tata Neu, Air India, batteries (lithium-ion), 5G, electronics and maybe a fab, which I am looking at very seriously. We will take a decision this year.

The next three to four years will be critical since a big part is execution. The batteries will be launched shortly, 5G is ready and Tata Neu will only get better. Air India is taking the right [decisions] and on electronics, we have to do the assembly bit and decide on fabs.

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The $90-billion capex of the group becomes very critical in that case...

That will be over five years starting FY23. It will take Tata Steel's domestic production to 30 million tonnes per annum and scale up Tata Power's renewables capacity to 25 GW, among other things. A lot of cash is getting generated by these companies and they have good credit ratings, plus the Tata Sons' brand name means you get good rates when you want to raise money. BT

@TheSouravM, @krishnagopalan

BEST CEOs **LIFETIME ACHIEVEMENT**

INDIA'S CHA

NANDAN NILEKANI HAS HAD A STORIED CAREER IN THE IT INDUSTRY AND TI
COMPANY HE CO-FOUNDED. AND HE HAS MADE A PROFOUND IMPACT IN EVEI

PHOTO BY **HARDIK CHHABRA**

ANGE AGENT

HE GOVERNMENT. HE IS NOW BACK AT THE HELM OF INFOSYS, THE
RY ROLE **BY SOURAV MAJUMDAR** AND **KRISHNA GOPALAN**

impact and then returning at the helm of the company he co-founded. Nilekani is a multi-faceted personality and his contribution is what has led to him being conferred the *Business Today* Lifetime Achievement Award. He played a key role in ushering in the IT revolution, putting India on the global IT map and, later, had an enviable body of work that would become the solid foundation for Digital India. Today, as Co-founder and Chairman of Infosys, he is still in the thick of things and is also involved in the next round of the digital revolution in India. Clearly, Nilekani has no intention of slowing down.

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WHEN NANDAN NILEKANI graduated from IIT Bombay in 1978 with a degree in electrical engineering, he opted for a job. It was an interesting decision. In that era, if you were in your early 20s and armed with a degree from a top institute, going to the US for a Master's was the norm. A large part of those who stayed back in India chose to do an MBA.

Nilekani did neither.

"Serendipity has played a big role in my career," confesses the 67-year-old, sitting in his office in the lush green Infosys campus in Bengaluru. On the day of the entrance examination to the Indian Institutes of Management, he fell sick. "Plus, there was no money to go overseas," says Nilekani, dressed in a blue blazer as he sits down for a chat with *Business Today* on a warm February afternoon.

At that point, mini-computers were the buzzword. IBM had left India and Patni was reselling the computers of Data General (DG). "That meant a career in mini-computers was exciting," he explains. It was a decision that would lay the foundation for a remarkable career spanning over 44 years and eventually pave the way for the great Indian IT story. The young man's incredible journey was all set to start, one which would traverse the private sector, the government, making a huge societal impact and then returning at the helm of the company he co-founded.

By his own admission, going back to the past is somewhat tough for Nilekani, a man known to be ahead of his time. However, when prodded, he quickly rattles off a few important milestones. "From my professional career point of view, [one milestone] would have to be joining Patni in early 1979 and [later] setting up Infosys in July 1981," he says. The first was also driven by the iconic N.R. Narayana Murthy, whom he describes as "charismatic". In that sense, when Murthy made the offer to join him as Infosys Co-founder, it was an easy decision to make. "You just go when Murthy calls," he says.

Murthy, on his part, has a clear recollection of Nilekani coming to Patni for a job. "He had just passed out from IIT Bombay. I gave him a set of puzzles to test his learnability and he solved them," he says. Nilekani was hired as software engineer trainee and when Infosys was founded in 1981, Murthy invited him to come aboard.

In Nilekani's own mind, Infosys was an early change agent. "It was not just about profit but being a pathbreaker and an innovator," he explains. The India of 1981 was a far cry from what one sees today. "It was not conducive for business and the concept of the first-generation businessman did not really exist," he says. Three kinds of companies existed—the public sector undertakings, large

"THERE IS ALWAYS A GAP BETWEEN REALITY AND POTENTIAL AND I HAVE THE URGE TO BRIDGE THAT GAP"

NANDAN NILEKANI, CHAIRMAN, INFOSYS

Dr Swetapadma Dash:

Leading the Way in Patient-Centered Health Care as People's CEO

Dr Swetapadma Dash, a formidable name in the healthcare sector, is the CEO of SUM Ultimate Medicare (SUMUM), a multispecialty quaternary care hospital that has become a trusted name in healthcare delivery in a short time. Healthcare is a dynamic and complex field and Dr Dash's leadership has played a pivotal role in the emergence of SUMUM as a brand that stands for compassion, innovation, and patient-centred care.

Dr Dash's inspiring story is a testament to her resilience and perseverance. Born and raised in Odisha, India, Dr Dash is a Gold Medalist in Clinical Psychology from Mysore University and holds a PhD in Clinical Psychology from Utkal University. Despite losing a limb and being labelled as 80% disabled, she refused to let her disability define her. "My father's words, 'Believe in your dreams, and you will have the power to turn them into reality,' have been my guiding light. They taught me to never give up, to dream big, work hard, and persevere in the face of adversity."As a beneficiary of timely medical intervention, Dr Dash fully comprehended its criticality in saving lives and found her calling in healthcare.

She began her journey in healthcare as a Clinical Counselor in 2006, and over time, she gained valuable experience as the DGM of Operations, Quality, and Research at Apollo Hospitals Bhubaneswar, as well as the Head of QMS for the Odisha and Chhattisgarh Region. In 2018, in her late 30s, she was appointed as the CEO of SUMUM, a critical leadership position that propelled her into the national spotlight as one of the youngest healthcare CEOs in the country.

SUMUM was founded by Prof. (Dr.) Manojranjan Nayak Founder & President Siksha 'O' Anusandhan (SOA) to provide world-class, affordable, and inclusive healthcare to the people of Odisha and adjoining regions. Established in 2020, the 350-bed hospital offers end-to-end care in over 30 specialities with state-of-the-art facilities and equipment and Centers of Excellence. Its "Hope Springs Block" offers advanced 360-degree integrated cancer care solutions under one roof. It is also the first corporate hospital in India to have a Prosthetics & Orthotics Department, and an in-house facility for developing prosthetic limbs. Home to some of the most cutting-edge technologies in the world, SUMUM received numerous awards including "Best Corporate Hospital Award", and the "Best Healing Environment for Treatment Award" at the Times Health Icons Odisha, for its commitment to excellence, patient-centred care, accountability, transparency, and affordability. SUMUM has set the standard for quality healthcare in India by becoming the first hospital in the country to receive NABH 5th Edition accreditation and NABL accreditation in record time. "SUMUM embodies the dream of Professor (Dr.) Manojranjan Nayak; a visionary leader who empowers his team members to express themselves freely. He recognized my potential, acknowledged my merit, and inspired me to be my best self, allowing me to execute my decisions confidently with his unwavering support and belief in my potential," said Dr Dash.

At SUMUM, Dr Dash has taken patient-centric care to the next level. "The patient is the center of the universe for us, and we are here to provide the best possible care for our patients. By aligning all our strategies, protocols, processes, methods, tools, and techniques to fulfil our patients' care requirements, we increased transparency, and trust, and improved the overall patient experience," she says.

Dr Dash has implemented several innovative programs like the 'Main Hoon Na' project, 'Patient Empowerment Initiative,' and 'Family Connect' program that empower patients and their attendants by giving them the knowledge and tools to take control of their health journey. This approach has led to SUMUM becoming a premier healthcare center, leading the way with the highest number of medical procedures, diagnostics, and surgeries, and consistently high footfall and occupancy rates."Our mission is not only to treat the medical condition but to nurture the emotional and mental well-being of our patients because healing involves more than just the physical aspect," says Dr Dash.

Diversity and inclusivity are fundamental philosophies that have contributed to the organization's success. Dr Dash is a trailblazer for women's empowerment and has created a workplace where women are equally represented on merit and are thriving as healthcare professionals and HODs. The organization also prioritizes disabled inclusivity, providing equal opportunities to employees with disabilities.

One of the key elements of Dr Dash's leadership style is her willingness to listen to the ideas and opinions of others. "I firmly believe that the best ideas can come from anyone, anywhere," she says. "That's why I have an open-door policy—anyone can come to me at any time with ideas, suggestions, questions or even guidance. Whether it's a member of my staff, a patient, or a member of the community, I am always accessible and happy to listen and help."

She has delegated autonomy to managers and staff, which has empowered them to make important decisions that have improved patient care and the hospital's bottom line. "When people feel like they have a stake in the success of the organization, they are inclined to take ownership of their work and strive for excellence," she says.

Her ability to connect with those she serves, commitment to putting the needs of the people foremost and remaining accessible even if it means sacrificing her time has made her a favorite among people and true 'People's CEO'.

Dr Dash's leadership has not gone unnoticed. She has received many accolades and awards for her contributions to the healthcare industry. In 2022, she was awarded the Best CEO & Administrator of the Year by the Six Sigma Health Care Excellence Award and in 2021, named the most promising CEO in Hospital Management in Odisha at the Times Power Woman.

Dr. Dash finds her real reward in making a positive impact on patients' and their families' lives. "I consider it a blessing to have the opportunity to make a difference," she shares. "As I interact with our patients every day, I am humbled by the stories they tell me about how our care has transformed their lives. This feeling is indescribable, and it fuels my drive to continually push the boundaries of what's achievable in healthcare.

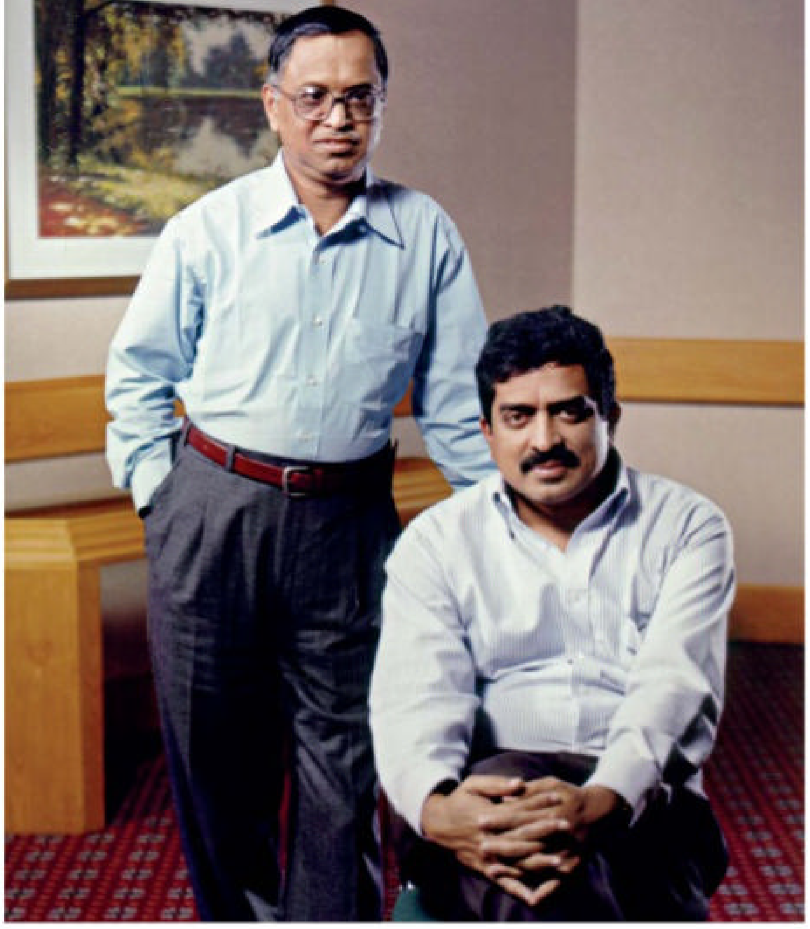

PHOTO COURTESY **INFOSYS**

FIXING THINGS

1. Infosys Chairman Nandan Nilekani describes himself as a 'plumber' who fixes things

2. Infosys Founder N.R. Narayana Murthy says Nilekani has a prodigious memory and an "inexhaustible rolodex"—two attributes necessary for a successful sales leader

3. He is known to be an ace networker with the ability to navigate people towards a common goal—a quality he put to good use at UIDAI

4. When Infosys was going through tough times in 2017 following the acrimonious exit of Vishal Sikka as CEO, he returned to steady the ship, guiding the company through choppy waters

5. After the success of Aadhaar and UPI, Nilekani is looking at ONDC as being the next big story

multinationals like what was then Hindustan Lever, and families like Mafatlal, Birla and Walchand that owned large businesses. "In that sense, Infosys was the original start-up," he points out. Without batting an eyelid, Nilekani says the boom in IT was completely unexpected. "We knew tech will become important and that software would grow since the talent pool was here. The global opportunity existed but the industry hitting $227 billion with 4.5 million employees was nowhere on our horizon."

Murthy sees Nilekani as a good project manager, someone who can lead well when given a competent team. "He brings in innovative ideas and completes a project on time within the budget and with quality," he says. He cites the instance of Nilekani in 1984 re-engineering the CAMP (Comprehensive Apparel Manufacturers' Package) software package—that ran on the DG MV/8000 platform—to run on the IBM 4341 platform with enhanced functionalities for Infosys's client, New York-based Data Basics Corporation. "Nandan is good at a 50,000-ft bird's eye view of any large project and leaves the ground level worm's eye view to his assistants. He brought in several innovative features in the CAMP products, which had not been seen in any application on the IBM 4341 software till then," explains Murthy. This convinced him to get Nilekani as director-in-charge of Finacle in 1988, the first globally recognised core banking software product from Infosys, and India. The same year, Nilekani became one of the founders of NASSCOM.

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IN MANY WAYS, the base for a well-rounded personality was laid during his five years at IIT Bombay. Nilekani thinks it was a defining time not just academically but also from a social and navigational skills point of view. "It was a time of high energy with things like Mood Indigo [the institute's annual festival]. I recently met [tabla maestro] Zakir Hussain, whom we had invited to perform on campus," he says with a smile. The experience on campus taught him more than a thing or two on how to get things done. "I learnt how to work with people for a common goal." It is a skill that he has put to very good use. In fact, Murthy too calls Nilekani intelligent and pleasant. "He is easy to work with and fun to spend an evening with. Nandan is a committed team member who plays his role well and will always put the interest of the company ahead of his own."

While the Infosys success story has been an inspiration to several entrepreneurs both in India and abroad, Murthy says Nilekani's contribution was "seminal". He terms Nilekani as a person who can be "a compelling communicator in English" with the ability to express an idea succinctly in simple sentences. "Nandan's memory is prodigious and his rolodex is inexhaustible. These attributes are important for a successful sales leader," says Murthy. That was good enough for Murthy to be convinced, and in 1993 he assigned Nilekani a board-level responsibility at Infosys for sales and marketing. "Nandan seeded the idea of a 'flat world' in the mind of the celebrated journalist, Tom Friedman," he points out. In 2002 and at just 46, Nilekani took charge as Infosys CEO after Murthy voluntarily stepped back. "I chose Nandan to succeed me and the company grew by a CAGR of 38 per cent during his five-year tenure, which was a good performance by any standard," says Murthy.

Rivals in the IT business are as effusive about Nilekani. One view comes from tech veteran Ashok Soota, Executive Chairman of Happiest Minds Technologies, who has known Nilekani from his stint at Wipro and later when he started Mindtree. "We overlapped in many forums and situations but the most bizarre was in the negotiations for GE's five-year offshore development contracts," he recalls with a smile. It had potential partners locked inside a hotel for two to three days, with GE having successive rounds of individual negotiations. There was no question of conversation between the interested parties. "So, we got a lot of time to share other issues when we met for a drink in the evenings. Nandan was very cool, calm and relaxed with no tension that Infosys might lose the contract to a lower bidder," says Soota. The calm demeanour was again evident when the two of them were a part of a Lufthansa flight that was offloaded in Frankfurt because of a bomb threat. "The process to get us back on the plane took six arduous hours. Right through, Nandan was cool and unflappable, while we were made to sit in a separate terminal and go through individual security checks on deplaning and again emplaning," he recalls with a laugh.

For Nilekani, companies outgrow founders. "In that sense, Infosys is unique since it is rare for the founders to be there. I think we constantly reinvented ourselves and had to be on our toes," he says. On his own longevity, he is forthright and speaks of the biggest risk being irrelevance. "It is important to be in touch with what is happening. I don't think of yesterday and am constantly excited about the possibilities. There is always a gap between reality and potential, and I have the urge to bridge that gap."

For many years, the notion of a digital identification intrigued Nilekani. When the government reached out to him for the project, a few goals, including the need for every citizen to be able to be identified, were set. The government had the basic idea but the challenge was in execution given how complicated India was. "The concept of inclusion was important since there were many

THE TECH WIZARD'S WALK

1978 ▲
GRADUATES FROM IIT BOMBAY WITH A DEGREE IN ELECTRICAL ENGINEERING

1979
JOINS PATNI COMPUTER SYSTEMS AS SOFTWARE ENGINEER TRAINEE

1981
LEAVES PATNI TO FORM THE FOUNDING TEAM AT INFOSYS

1993
INFOSYS GETS LISTED ON THE INDIAN BOURSES

1999 ▼
INFOSYS TOUCHES REVENUES OF $100 MILLION; GETS LISTED ON NASDAQ

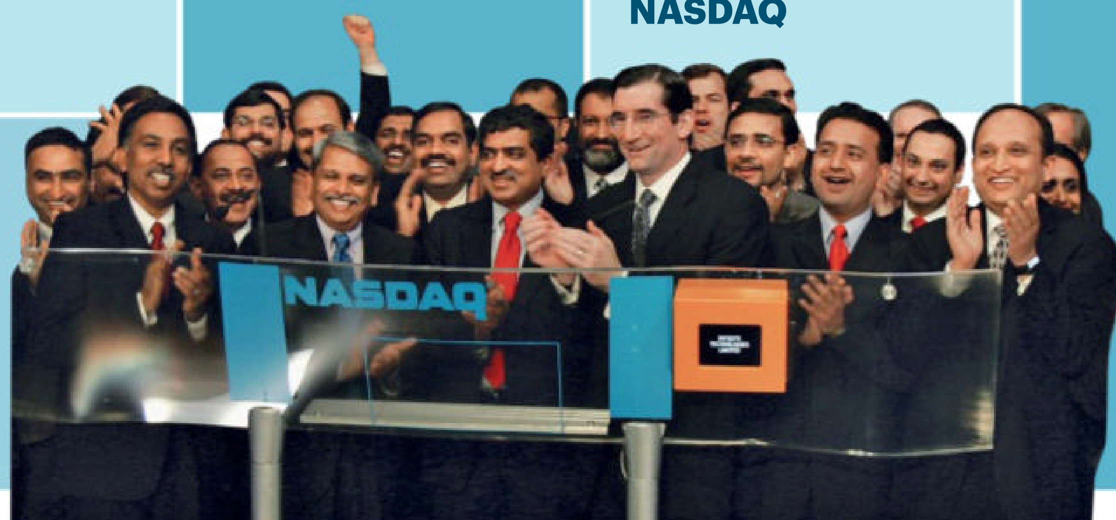

PHOTO COURTESY **INFOSYS**

without a birth certificate. The value-add we saw in digital identification was in online, cloud and future-proofing through what would later become the UPI [Unified Payments Interface]," he says. It turned out to be one of India's biggest projects ever and one that was hugely satisfying for Nilekani. Aadhaar, the unique ID, is today an integral part of an average Indian's life.

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INEVITABLY, IN A PROJECT of Aadhaar's scale, the challenges were multi-fold. Nilekani, then the founding chairman of the Unique Identification Authority of India (UIDAI), candidly explains how there were "forces trying to stop it". This is when his navigational skills came in handy to cross many a hurdle and triumph in the face of adversity. The shift to the government from the private sector was, in reality, not done overnight. "I understood how the government worked thanks to being on the Bangalore Action Task Force (from 1999-2004), which was at the state level. Later, I worked with Sam Pitroda in the National Knowledge Commission (2004-09) and that exposed me to the workings of the central government," he narrates.

The grounding in Infosys imbibed some key principles in Nilekani: "If you have the vision, you can rally people around it," he says. The second is the belief that simplicity always trumps complexity. "The other part was in being strategic and not tactical. You must know the endgame and be tactical to get there but never lose sight of the endgame."

For all the success Nilekani had in the government, he has not missed some of the obvious differences between working there and being in the private sector. What does he view as the key difference between the two? In the latter, one does not always spend time in building coalitions and consensus. "You are largely in charge of a situation. But in the government, there is a need to navigate and that is time-consuming. Someone from the private sector will not have the patience for all this." To Murthy, Nilekani's success in completing the Aadhaar project (he terms it "highly impactful") on time and within the budget is very significant. "It is a good indicator of his leadership and project management abilities even in the government."

Dwelling on the project, Nilekani candidly speaks of several moments of frustration. After all, he was in a new environment, and in a leadership role, but at the end of the day, this was still government. "For instance, dealing with forces who didn't want the project

2002
NILEKANI TAKES OVER AS INFOSYS CEO

2007
STEPS DOWN AS CEO TO MAKE WAY FOR KRIS GOPALAKRISHNAN; TAKES CHARGE AS CO-CHAIRMAN OF THE BOARD OF DIRECTORS

2004
COMPANY HITS THE $1-BILLION REVENUE MARK

2006
HE RECEIVES THE PADMA BHUSHAN AWARD

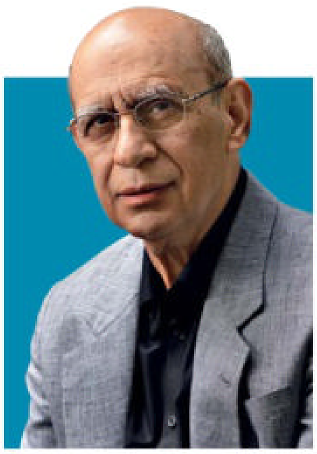
2009
LEAVES INFOSYS TO HEAD THE UNIQUE IDENTIFICATION AUTHORITY OF INDIA; GIVEN THE TASK OF ROLLING OUT A MULTIPURPOSE NATIONAL IDENTITY CARD

2014
CONTESTS GENERAL ELECTIONS ON A CONGRESS TICKET AND LOSES

2017
RETURNS TO INFOSYS AS CHAIRMAN AFTER VISHAL SIKKA STEPS DOWN AS CEO; SALIL PAREKH JOINS AS CEO IN 2018

“Nandan is forever etched in my mind as the intelligent, positive and idealistic young man I recruited in 1979”

N.R. NARAYANA MURTHY
FOUNDER, INFOSYS



“His colleagues would say that he personally knows one in every six potential customers on the planet”

ASHOK SOOTA
EXECUTIVE CHAIRMAN, HAPPIEST MINDS TECHNOLOGIES

was tricky, but one had to spend time in explaining why it was critical,” he says. He had to dig deep into his reserves of conviction at each stage. “One cannot take an adversarial approach. The person on the other side of the table needs to be assured that you are not taking his job away. It is not an easy position to be in but we needed to get past many challenges,” explains Nilekani. Looking back at the success of Aadhaar, one that is a case study across the best business schools globally, he admits things could have been done a little faster. “Maybe, some of the features like the tokenised version of Aadhaar should have been out earlier.”

Soota is extremely familiar with Nilekani's success at Aadhaar. “Mindtree, the fledgeling company I was heading then, won the contract for the biometric engine, which was at the heart of the Aadhaar solution and Nandan was now my customer,” he narrates. According to him, Nilekani could have just created the world's second largest database. “Instead, he architected a platform with app extensions for the many solutions that now ride on it. Nandan was hands-on and demanding as, indeed, a customer should be. If there was even a suspicion of a delay, our leadership would be summoned. But he was extremely fair,” points out Soota.

Even in the case of the digital payments platform UPI—where Nilekani played an important role as Advisor-Innovations and Public Policy at National Payments Corporation of India—the 8 billion transactions per month, or 300 million people using it, makes Nilekani happy. “Now, it is a playbook for change,” he says quite simply. The Open Network for Digital Commerce (ONDC) story—where he is Member of the Advisory Council for the open e-commerce network launched by the government—enthuses him and he calls it “a force of inclusion”. With most of India's retail business dominated by small merchants, that segment finds it difficult to get the best out of what digital can offer. “The bigger businesses will do it easily. ONDC is about enabling the smaller ones participating in an ecosystem. To me, its value is in making make *all* of commerce e-commerce,” he stresses.

In the West, where the countries were economically rich before becoming data-rich, modern internet began two decades ago. At high levels of per capita income, a lot of money was spent on advertising. “India has not really been an advertising story and the challenge is to figure out how data can improve your life. There is a lot that the small and medium businesses can do with the digital footprint,” Nilekani says.

In the life of a successful entrepreneur, failures come and go. Nilekani says there were plenty of setbacks but two come to his mind immediately. “Professionally, Infosys's foray into hardware manufacturing was something that did not work. At a personal level, standing for the Lok Sabha election [in 2014, when he lost] was the biggest failure,” he says, attributing that to hubris. “I had been successful at Infosys and later with the government. There was a sense of invincibility in me and this defeat brought me back to earth,” he admits. That episode allowed him to reflect on where his real strengths lay, and to play to them.

“My value-add is in being a change agent and leveraging what I know well. That came down to technological transformation and I will continue to double down on that,” he says candidly. Besides, being non-partisan was a smarter way of going about things. “I am a plumber and I fix things,” says Nilekani in all seriousness.

METAMORPHOSIS UNLIMITED
IT'S TIME TO DISCOVER YOUR TRUE POTENTIAL

In today's VUCA world, corporate success depends upon anticipating and planning for the future. Trust, Cooperation, Decisions and Connections are the major factors that shape the outcome. It calls for a team culture that promotes freedom, creativity, speed, flexibility and connects people with the organization. Dr. Ajay Bakshi helps and guides this transformation, helping organizations become nimble outfits that can chase down any goals.

> **Dr. Ajay Bakshi,** Founded, Metamorphosis Unlimited

Dr. Ajay Bakshi is a qualified Mechanical Engineer from MIT Manipal and an MBA from Pune University. A celebrated HR thought leader, Ex CHRO, Board Director and Business Leader with 30 years of extensive experience in work force management, he is a veteran in transforming organizations by empowering its people. He was awarded and recognized by Economic Times for his contribution in Executive Coaching and Change Management.

Metamorphosis Unlimited, the Pune based company founded by him excels as a Strategic HR and Talent advisory consulting firm. It focuses on developing the leadership skills of the existing human resources, to enhance the value of the organization and plot its success. Their services identify and judge the potential of the existing personnel and enhance their skillsets. Ajay explains, "Creating a culture of high performance is all about driving accountability and ownership. This should result in growth that is scalable through processes, operational excellence and people. We work towards identifying the right leader internally as well as externally and strive to instill a culture of leadership in the organization."

Ajay advocates a two-step process. Transform the People who staff the organization. Restructure the organization to allow them to perform at their optimal. When it comes to Talent Acquisition, unlike others, Metamorphosis selects and recommends potential leaders for organizations.

He says, "Emphasis should be on identifying leadership potential, which means the person should grow up to take up larger responsibilities in the future. Recruitment of high performing leaders using a detailed assessment model that combines psychometrics, competency based interviews, potential assessment interviews and culture fit simulations help hiring the right person for the right role".

Metamorphosis Unlimited provides services that include strategies to implement changes that foster a culture conducive to innovation and high performing leadership. Metamorphosis undertakes executive coaching programs, working with business leaders to address their problems by converting them into actionable opportunities that help differentiate themselves into the marketplace. Working with CEOs to CXOs and emerging leaders, Ajay helps in the developing strategies and aligning the goals of various departments to the overall organizational goal.

Since it all boils down to people, he assesses individual performance and coaches the personnel to improve their performance. With an immersive process that includes classroom training, online training, on the job projects and group coaching and training, the individuals are forged into world class managers. They are trained in three different areas – managing self, managing others and managing performance. The training includes goal setting, performance enhancement, feedback handling, coaching and development of their team, motivating and rewarding teams and conflict handling. Ajay explains, "Many first time managers have grown up from being individual contributors to managerial levels on their performance. Most of them need to be formally trained in leadership skills to have a successful career transition".

Ajay has coached organizations who are restructuring their leadership teams and workforce for organic and inorganic growth. Metamorphosis's clients include reputed corporates like Volkswagen IT Services, Tata Motors, Tamil Nadu Water Investment Company, Mahindra Ltd., Tata Tinplate Ltd., Prudential Global Services (India) and Indian Oil Corporation amongst others. With offices in Mumbai, Bangalore, South Africa, UK and Switzerland, the firm's growth is a testament to the universal nature of the human quest for excellence.

As Ajay says, "It is only when you address the pillars of wellness, the organization prospers". He should know. He has authored a book Build to Outperform, for first time managers and middle level managers. It is available on Amazon, Flipkart and Kindle, amongst others.

For Metamorphosis it is an unlimited world, as it spreads wellness across Corporate entities.

PHOTO COURTESY **INFOSYS**

LONG INNINGS Nilekani (*third from right*) with the top management of Infosys after it completed 25 years in 2006

T

THIS TALENT OF FIXING things was again on full display when he returned to Infosys in 2017 following the acrimonious exit of Vishal Sikka as CEO. "I was not involved in the company between 2009 and 2016 and did not even visit this campus," he points out. There was no plan to get back either, but given the situation [Sikka fell out with the Infosys founders, particularly Murthy], Nilekani felt "a moral obligation" to take charge at the company he co-founded. There was a battle to be fought, with the company's market capitalisation taking a hit, together with a lot of uncertainty on the way forward. After a thorough search, current CEO Salil Parekh was brought on board from Capgemini. "We managed to create an organisation with a robust strategy. Today, we are well-placed and the board is solidly behind us," says Nilekani.

In the process, his own role has changed. "[Earlier], it was about being an executive and now that has moved to governance. It is different [now] and I look at it as reinventing oneself." The experience of being outside the company for a period, too, helped since "it gave me distance, an insider-outsider view and in the process, a fresh pair of eyes". The "founder's clout", he admits, was an add-on. "A different experience [working with the government] had toughened me and I could be a lot more decisive and handle dissent better." Nilekani sees Infosys as being at the cusp of a different opportunity now with artificial intelligence (AI). "The last five years were about digital-first and now it is about AI." Taking a moment to assess himself, Nilekani says he has no negativity. "I don't waste my time bemoaning or brooding. I use my energy for positive things."

Getting the lifetime achievement award, says Murthy, is a well-deserved honour on Nilekani. "It is also a startling reminder to me on how much time has gone by. Nandan is forever etched in my mind as the intelligent, positive and idealistic young man I recruited in 1979," he says.

The Indian—and the pride of being one—is impossible to miss in a conversation with Nilekani. "The next 10 years will be our golden era. I clearly see the emergence of three or four big ideas, among which are ONDC unbundling commerce, the account aggregator and the democratisation of credit, a revolution in logistics and AI being a big story," he outlines. In many ways, Nilekani epitomises many societal changes that India has undergone at a tech transformation level. Not only does he love it, but he thrives on it as well. That is indeed a rare combination and the reason for Nandan Nilekani being the change agent that he is. BT

@TheSouravM, @krishnagopalan

ON THE PROWL
T.V. Narendran,
CEO & MD, Tata Steel

THE TRANSFORMER

T.V. NARENDRAN HAS REINVENTED AND RESHAPED THE TATA STEEL HE INHERITED INTO ONE THAT IS A POTENT FORCE NOT JUST FOR MAKING STEEL, BUT ALSO FOR MAKING DEEP MOVES ON FINANCIAL FORTITUDE AND CULTURAL INCLUSIVITY

BY **ASHISH RUKHAIYAR** & **KRISHNA GOPALAN**

PHOTO BY **CHANDRADEEP KUMAR**

T

TATA STEEL HAS a glorious past. Established in India in 1907, the company has the distinction of being Asia's first integrated private steel producer. And with a history spanning over a century, the steel major has come a long way, with its footprint spread across India, Europe and Southeast Asia.

T.V. Narendran, however is not new to Tata Steel. A veteran of nearly 35 years—with the past 10 years as CEO & MD—the IIM Kolkata alumnus knows that he has to constantly be on his toes to be ahead of the curve in an industry that is known to go through periodic up and down cycles. "Our ability to pick up [an] asset, integrate it, turn it around, unlock value, has got honed in the past three years," he says, sitting in a large conference room at the iconic Bombay House, the headquarters of the Tata group and a building whose own history goes back to 1924. "For us, it was obvious that we have to scale up the business and there was opportunity in India. When we look at Tata Steel as a portfolio of sites or a portfolio of assets, our strongest point is our footprint in India, which in a cyclical industry like ours, had an 18-20 per cent Ebitda margin, even at the lowest point in the cycle," explains Narendran.

Indeed, the recent financial numbers corroborate this. For instance, in Q3FY23, deliveries of its India business grew seven per cent year-on-year, even as Tata Steel Europe registered a dip of nearly eight per cent.

And with Narendran at the helm, the firm's production in India has also grown manifold, even as it plans to nearly double its production capacity to 40 million tonnes (MT) by 2030, from the 21-22 MT it produces currently. More importantly, Narendran is confident that the higher production capacity can be achieved purely through proper execution, and from its existing sites.

This assumes significance as the past few years have seen the steel major making regular acquisitions—first of Bhushan Steel in 2018, then Usha Martin in 2019, and finally Odisha-based Neelachal Ispat Nigam in 2022. "Our existing footprint allows us to grow to 40-45 MT in the existing sites. We want to go to 40 MT by 2030... [It] is very doable for us," says Narendran, who took over the reins of the company when its capacity in India was less than 8 MT. It was 7.94 MT in FY13, the fiscal before Narendran took charge.

Incidentally, Narendran's strategy of pivoting towards India is clearly visible in the graph of the company's production capacity spread across India and overseas. (See chart *Steeling for the Future*). For instance, Tata Steel's acquisition in 2007 of Corus Group added a capacity of 18 MT, of which the UK accounted for 10 MT, while its India production capacity at the time was merely at 4-5 MT. The UK's production has fallen to 3 MT while India produces 21-22 MT annually.

Corus's Netherlands plant, meanwhile, always produced around 7 MT of steel annually and it "has always been profitable and doesn't need support from India", says Narendran. Within India as well, Tata Steel's site at Kalinganagar and the acquired assets of Bhushan Steel and Neelachal Ispat Nigam—both in Odisha—have the potential to more than double the steelmaker's capacity as per demand and the execution strategy of the company. "We have always been saying how we can make Tata Steel structurally, culturally and financially future-ready. The structural part is getting addressed like this. And that's why we feel that as India grows, we can grow without having to borrow more," says Narendran, adding that the company's cash flows will be sufficient to fund its growth, and make it structurally and financially future-ready.

Analysts, meanwhile, believe that Narendran—the winner in the Super Large category of the *BT*-PwC In-

MAN OF STEEL

Under T.V. Narendran, Tata Steel has completed three major acquisitions—Bhushan Steel, Usha Martin and Neelachal Ispat Nigam—in 2018, 2019 and 2022, respectively

The steel major has showcased its ability to pick up assets, integrate and turn them around, and unlock value

SHIFTING PRIORITIES Facing a souring international market, Tata Steel is shifting its focus to India to expand capacity

dia's Best CEOs ranking this year—has chosen the right strategy for Tata Steel and now the execution part has to play out well for the company, to take it to the next phase of growth and expansion. "Tata Steel has created a solid platform that can take them to 40-45 mtpa [MT per annum] capacity in India, without any need for land acquisition, basic clearances and new water source," says Vipul Prasad, Founder & CEO of Magadh Capital Advisors. Adding that the company has done well on expanding the capacity and product mix at Kalinganagar, Prasad explains that Neelachal and Tata Steel BSL (Bhushan Steel) can take care of the company's growth plans for the next 8-10 years, when combined with the brownfield opportunities at the Kalinganagar plant.

"Solid infrastructure and strong raw material availability in the region will ensure that Tata's steel hub in Odisha will be amongst the largest and most profitable, globally," he says, while highlighting that the company has also managed to reduce debt on its balance sheet, despite its aggressive focus on organic as well as inorganic growth.

In a similar context, Aditya Welekar, Senior Research Analyst at Axis Securities, says that during the commodity up-cycle, Tata Steel maintained disciplined capex and generated positive free cash flows that it used to deleverage its balance sheet. "Tata Steel achieved massive deleveraging between FY20 and FY22, and the company's net debt has come down from the peak of around ₹1 lakh crore in FY20 to ₹51,049 crore in March 2022. So, to Tata Steel's credit, it used the strong steel prices to repair its balance sheet by using disciplined capex outflow and good working capital management," he says.

Facing a souring international market, Tata Steel has now realised that India is a better place to expand its capacity and as a result, it is shifting its focus there, Welekar says. He adds that the company will grow its Indian capacity from 21 mtpa to 40 mtpa by 2030 and cut its European footprint, since it has been flashing red.

But this, in Narendran's own words, is taking care of the structural and financial aspect of the company. What about the cultural bit in a company that is known to boast of staffers spanning generations of families?

"[The] cultural transformation of Tata Steel has multiple elements. It's not just about the culture, but about

The company is pivoting towards increasing output in India; it is eyeing a capacity jump from the current 21-22 mtpa to 40 mtpa by 2030

Narendran is focussed on making Tata Steel structurally, culturally and financially future-ready

He is putting equal thrust on digital transformation and sustainability, along with ensuring that young people find it an attractive place to work

"Tata Steel has created a solid platform that can take them to 40-45 mtpa capacity in India, without any need for land acquisition, basic clearances and new water source"

VIPUL PRASAD
FOUNDER & CEO, MAGADH CAPITAL ADVISORS LLP

"Tata Steel achieved massive deleveraging between FY20 to FY22... To its credit, it used strong steel prices to repair its balance sheet by using disciplined capex and good working capital management"

ADITYA WELEKAR
SENIOR RESEARCH ANALYST, AXIS SECURITIES

the way we work and the things that we focus on. To me, it is about planting seeds and when you plant the seeds, it takes a while to grow. If you plant the seed in time, then it will grow at the right time," explains Narendran. According to him, the two highlights of the journey of making Tata Steel a culturally strong outfit has been its thrust on digital transformation—which also helped the company a lot during the pandemic—and sustainability.

"Because we went the whole hog and spent a fair amount of money building the digital infrastructure, when Covid-19 hit us, we had no problems in shifting to work from home or work from anywhere, and the business went on," he says, adding that the company's focus on sustainability started around six to eight years ago, when the management realised that it was an existential issue. The initiative required the board members, union members and leadership to go through a training and sensitisation programme.

Alongside that, Narendran has also focussed on making Tata Steel a more attractive organisation for the younger demographic by stressing on elements like gender diversity, inclusion and also policies for the LGBTQ+ community. "A lot of our policies were stuck in that old world... the husband is working, so it's for the wife rather than spouse. Questions were asked about why only spouse, why not partners. So, we allowed all that. Why not paternity leave, so we allowed paternity leave. We also have adoption leave now," says Narendran, adding that many of the policies were changed to make them more contemporarily relevant for today, and the process continues.

Moreover, the company has put in place women-only shifts and also has around a hundred transgender people working in its mining locations and plants. "It is not just about changing the policy and recruiting women or transgender people but also making sure that the infrastructure is there, the facilities are there. All this is also part of the cultural transformation at Tata Steel," he says.

Narendran is also working on making the company more agile and has put in place "bureaucracy busters", given the various legacy issues that exist in a typical century-old organisation. With the understanding that the company has been around for a long time, due to which processes tend to turn more bureaucratic, Narendran explains that the company has instituted teams that identify projects where they take action to mitigate bureaucratic processes and mindsets.

"We do a lot of work on agility... You disrupt the status quo. It's more about saying that while we are proud of our past, what of the past [do] you want to discard? What of the past you want to strengthen, what of the past you want to preserve," he says.

Incidentally, the changes being brought in at Tata Steel are leading to visible benefits for it, with the steel producer getting increasing recognitions within the group for its efforts as well.

For instance, Narendran is quick to point out an initiative called Tata InnoVista, which is a "platform for recognising and celebrating innovations of the compa-

"We have always been saying how we can make Tata Steel, structurally, culturally and financially future ready. The structural part is getting addressed. And that's why we feel that as India grows, we can grow without having to borrow"

T. V. NARENDRAN
CEO & MD, TATA STEEL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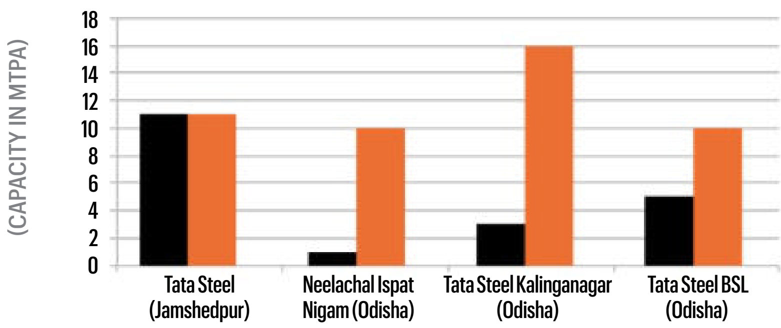
STEELING FOR THE FUTURE

Tata Steel has a current capacity of 20 million tonnes per annum across its four plants

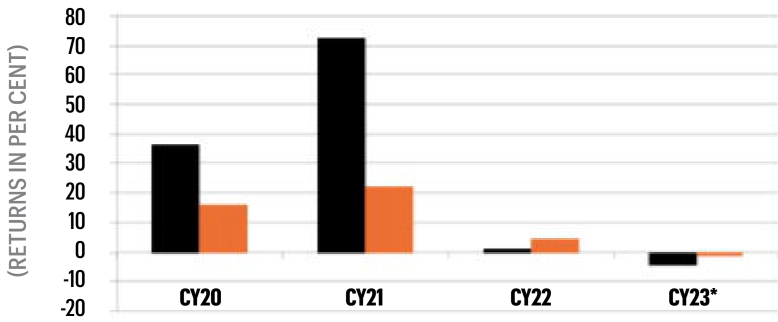


• CURRENT CAPACITY • POTENTIAL CAPACITY

MTPA MILLION TONNES PER ANNUM; **SOURCE** COMPANY

VOLATILE MARKETS

Tata Steel has underperformed the benchmark BSE Sensex in the past 16 months amid volatility in the markets



• TATA STEEL • BSE SENSEX

*AS OF APRIL 19, 2023; **SOURCE** BSE

GLOBAL PRESSURES

Tata Steel has borne the brunt of the tough market conditions prevailing globally

	FY22	9MFY23
Revenue from operations	2,42,326.87	1,79,397.47
Profit before tax	50,226.87	14,914.35
Profit after tax	41,749.32	6,509.11
RoE (per cent)	44.72	NA
Market cap		1,32,175.11*

DATA IS ON A CONSOLIDATED BASIS; **9MFY23** APRIL-DECEMBER 2022; **NA** NOT APPLICABLE; ALL FIGURES ARE IN ₹ CRORE, EXCEPT RoE; *AS OF APRIL 19, 2023; **SOURCE** BSE, ACE EQUITY

nies at the group level". "Around five to six years back, we were hardly getting any awards. Today, 30 per cent of the awards in the Tata group come to Tata Steel. If you look at the number of patents that Tata Steel has got in the last five to six years, it is huge," he says.

Under Narendran, the company is also working with a lot of start-ups on issues related to climate change and carbon emissions, among other things. "That's part of the journey of driving more innovation in the company. How do we plug into this start-up ecosystem? How do you become more agile? How do you become more innovative? How can you bring more breakthrough thinking in the organisation? How can you have more diversity in the organisation? All these are elements for making Tata Steel future-ready from a cultural point of view," he says.

Interestingly, business is not the only challenge that occupies Narendran's mindspace, whose interests outside work include playing the drums and listening to The Beatles, among other bands, and pursuits.

For a leader who values feedback, he narrates a conversation he had with the younger employees of the company at his frequent breakfasts with them. A few years ago, when he was in the midst of one such breakfast, a simple question made him ponder upon the pioneering initiatives that the company needed to take or had been taken. "I have these breakfast meetings with youngsters and one of them said to me that everything that you described as pioneering happened 100 years back... what are you doing today, which is pioneering? And I remember going back to the then CHRO, saying that was a very valid point. What are we doing today, which is pioneering?"

Incidentally, Narendran says that he derives inspiration from a quote of Vijay Govindarajan, a renowned expert on strategy and innovation, and currently the Coxe Distinguished Professor at Dartmouth's Tuck School of Business.

"He once said that 'a company that only talks about its past has no future'. When you have been around for a long time, there is a lot to be proud of... But as leadership, you have to be thinking of the future, so that in the future, there's a past they can be proud of," says Narendran, adding that the company is trying to create an organisational culture where thinking about the future is not just within the purview of the CEO, the leadership or the strategy team.

"[It is] pretty much the responsibility of everyone in the organisation, particularly if you are the leader of your team. You just need to think," he says. BT

@ashishrukhaiyar, @krishnagopalan

Left to right Dr. Abhishek Bhandari, Anshit Jindal, Ankit Bhasin and Sidharth Shukla

Crypto Enthusiasts at work at Crypque Private Limited

Envisioning to change the way people view cryptocurrencies and blockchain technology in India, four quixotic tech fanatics, namely, Sidharth Shukla, Dr. Abhishek Bhandari, Ankit Bhasin, and Anshit Jindal founded Crypque Private Limited in 2022 with an objective to create an ecosystem which enables the users to use their crypto assets in day-to-day transactions like utility services payments, UPI, IMPS, P2P buying and selling, credit card payments and insurance premium payments, just like fiat currency. The quad squad has undertaken to simplify the use of crypto technology for the masses and make it accessible to everyone, providing financial freedom to millions of people with the launch of Crypque, specializing in blockchain, crypto, and web3 solutions.

Co-founder and CEO of Crypque, Mr. Sidharth Shukla, an astute and discerning professional, au fait with the nuances of the industry, is a connoisseur of the crypto-industry. He is a mechanical engineer with a passion for technology and innovation. An expert in operations, P&L oversight, multi-channel technology design and marketing, Sidharth has set up and led multiple companies to success including Trade Turtles.

Co-founder and CMO Dr. Abhishek Bhandari, a zealot professional and an ardent learner completed International Business Management from New Zealand and a Post Graduation in Healthcare Administration from INLEAD, Gurugram, India. A crypto enthusiast, he was one of the very early adopters of cryptocurrency and started his own Bitcoin mining farm, one of the biggest in Dehradun, Uttarakhand, in 2016. He is currently pursuing a Post Graduation in CryptoCurrency and Blockchain Technology from Amity University and has been interviewed by many top cryptocurrency media houses like New. bitcoin.com and Cointelegraph.com. He recently received a Doctorate in Web3 and Blockchain from World Peace Institute of United Nations.

The third co-founder as well as COO of Crypque, Ankit Bhasin, a seasoned and sophisticated professional, holds a vast experience in the corporate industry and is an expert in setting up and scaling business ventures. He has served as the Vice President of Human Resources for several multinational companies like GENPACT for a period of 18 years and is obsessed with the possibilities that crypto has to offer.

Co-founder and CFO Anshit Jindal, an adroit virtuoso and a prodigy, is a Master's in Business Administration in Finance & Marketing and holds an exemplary experience of 12 years in the Automobile & technology industry and is skilled in business planning, entrepreneurship, organizational leadership, team leadership, and business intelligence.

The young, spirited and magnificent team at Crypque, claiming to be not just another fintech company, endeavours to build an inclusive community where users can benefit from the company's innovative products as well. The Company has launched 'Tronado', their in-house token based on the Binance Smart Chain which serves utility purposes on the platforms collaborating with the Tronado blockchain ecosystem. The other two products, adding another feather in the burgeoning enterprise's cap, are the Mobicryp USDT Minting Platform and Cryp, a crypto payment solution.

The ingenious and avant-garde ideas and products ushered in by Crypque inexorably possess the potential to revolutionize and remodel the crypto industry and bring financial freedom and flexibility to millions of people, both domestically and globally in the times to come.

BEST CEOs MID-SIZED COMPANIES

SYMPHONY OF SUCCESS

Ashish Bharat Ram has navigated SRF through tough times, never losing faith in its capabilities and employees

By **Nidhi Singal**

CONFIDENCE AND POISE Ashish Bharat Ram, Chairman and MD, SRF Ltd

▶ **ASHISH BHARAT RAM,** the Chairman & MD of SRF Ltd, believes he is like the conductor of an orchestra, playing a symphony. And one indeed needs the poise of a conductor to manage SRF's diverse portfolio of unrelated products. To understand this, one needs to look at the company's evolution. SRF started life as Shri Ram Fibres, a technical textiles and tyre cord manufacturer, in the 1970s, before diversifying into refrigerant gases in the late 1980s; in the mid-1990s, the company got into polyester films (that was used for VHS tapes and audio cassettes back then), which has since then transformed into its packaging films business. That's quite a handful for the 54-year-old, who has grown the company into a major global conglomerate today. Bharat Ram has also expanded the packaging films business to Thailand, South Africa and Hungary; today, chemicals contribute 42 per cent to SRF's top line, packaging films 38 per cent, with technical textiles and other businesses making up the rest.

SRF, says Bharat Ram, looks at innovation and technology as game changers. And while the easiest way is to buy and partner with technology, SRF took a different route. In the early 2000s, the company set up its R&D team to develop technology in-house. "We do our own R&D for all the molecules that our customers want and don't buy technology unless we really need to buy it. And I think that sets us apart because we are significantly ahead of many of our competitors in India," he says proudly. This explains why SRF is the only Indian manufacturer of ozone-friendly refrigerants such as F134a and F32, the technology to produce which was developed in-house. As of December 31, 2022, it had applied for 398 patents, while it had been granted 130 patents.

But good times come with bad times. How does the SRF boss navigate them? When facing tough challenges,

Key Highlights

❶ Expanded packaging films business to Thailand, South Africa and Hungary

❷ Emphasis on in-house R&D for all molecules customers want

❸ Capex-led strategy for growth, irrespective of market conditions

Mid-sized Companies

ASHISH BHARAT RAM

CHAIRMAN AND MD, SRF LTD

Revenue from operations	**FY22**	12,312.75
	9MFY23	10,872.52
Profit before tax	**FY22**	2,585.55
	9MFY23	2,090.60
Profit after tax	**FY22**	1,888.92
	9MFY23	1,599.89
	FY22 RoE (%)	24.51
	Market Cap	73,243.61

- Data is on a consolidated basis; all figures in ₹ crore except RoE; 9MFY23: April-December 2022
- M-cap as of April 19, 2023
- Data Source: BSE, ACE Equity

Bharat Ram, the winner in the Mid-sized Companies category of the *BT*-PwC India's Best CEOs ranking, believes in the adage, 'this too shall pass'. And he approaches each problem with a cool head. For instance, in 2016-17, while SRF's specialty chemicals business was facing weak demand, the company still decided to go in for heavy capital expenditure. Bharat Ram's logic was that while the assets could lie unutilised for six to nine months, the company stood to gain a lot more when demand came back. "Our investments helped us build relationships with certain customers where we were able to fulfil their needs much faster than our competitors," he says.

Sumant Kumar, Research Analyst at Motilal Oswal, believes SRF's capex strategy is working well. "Over the past three years, around 45 per cent of the capex for SRF has been into the chemicals business. This has worked well for the company as its chemicals business is doing extremely well, both in refringent gas and specialty chemicals," he says.

Bharat Ram, though, thinks the chemicals business is just a part of the story for SRF. While the mainstay of its investments will continue to be into chemicals, the company is also expanding its packaging business. It has recently entered into the sub-segment of aluminium foil, which makes SRF one of a handful of companies globally that provides three of the major packaging materials—BoPET (biaxially-oriented polyethylene terephthalate or polyster film), BOPP (biaxially oriented polypropylene or clear film) and aluminium foil. The ability to cross-sell all three will be unique to SRF, say experts.

SRF has also been on the ball in terms of trends. While the China+1 strategy has picked up pace in the past few years, Bharat Ram says that SRF saw this shift happening 10 years ago when businesses approached the company, saying that they had been buying from China, but were looking for a reliable supplier outside China. The strategy now, says the Chairman & MD, should be Europe+1, given the impact on the continent over the past year because of the Russia-Ukraine conflict and with energy costs going through the roof. "Europe, while a consumer, has also been a very strong producer on the chemicals side. So, companies that have built strong in-house capability will have the ability to also look at offshoring more products from Europe. So it's not just China+1, but also getting more downstream products from Europe," he says.

Bharat Ram reveals that he follows the business mantra of 'perform, conform and inform'. While the right business decisions fall under 'perform', conforming to the law and informing stakeholders are the other two pieces. But there is one more thing that the SRF boss considers essential: "Making people (SRF employees) feel that this is a family."

For instance, days after the first lockdown was announced in March 2020, Bharat Ram sent out a company-wide email that not a single employee (of its 7,000-strong workforce then) would be laid off because of the pandemic. While initially the company did hold back increments, when things got better, SRF awarded increments with arrears. "The emotional bank balance you create during those times is the longest," he says.

SRF's biggest strength, Bharat Ram says, is its winning team. "The conductor does not play any instrument but must ensure that music gets created, and for me having different personalities lead different businesses and functions and still finding a way of getting the best out of them is something I would say is my biggest contribution to SRF." We agree. **BT**

@nidhisingal

❹ Gearing up for a Europe+1 strategy in light of the recent developments

❺ Building an "emotional bank balance" among its 8,000-strong workforce

COMPOUND KING

Ande Prathap Reddy has grown Balaji Amines into a ₹2,300-crore speciality chemicals giant and placed India on the global map

By **Prerna Lidhoo**

▶ **IF YOU BELIEVE** that you can find rags-to-riches stories only in movies, then Ande Prathap Reddy's tale will make you sit up. His 10-km walk to school from a remote hamlet in Telangana (earlier Andhra Pradesh) served as an everyday motivation to become a "moneyed man" someday. "I have seen poverty. Those days inspired me to take risks and do something big," he says.

Reddy was barely 25 when he started his first venture in 1976, with a bank loan of ₹25,000. After dabbling with around eight successful small-scale ventures in RCC (Reinforced Cement Concrete) spun pipes, asbestos cement pressure pipes and the like, he changed tack in 1988. "I diversified because it was no longer viable to run these small businesses," says Reddy.

By then, he had realised the high export potential of 'speciality chemicals'. In common parlance, speciality chemicals are either single-chemical entities or mixtures of various chemical ingredients designed for some specific industrial applications. Back then, no Indian manufacturer was considering this sector as a potential business opportunity. "I started Balaji Amines [in 1988] with a small plant using indigenous technology. Alkyl Amines was my competitor, which took its amine technology from a UK company. But, I was the first [Indian] to take a local [amine] technology and perfected it at one-fourth of the price," he says.

His first product, methylamine, is used extensively in industries like pharma, agrochemicals, water and paint chemicals, paint removal, resin, etc. Today, 45 per cent of his company's revenue comes from pharma, while agrochemicals contribute 35 per cent. It is the largest domestic manufacturer of methylamines—producing more than 400 tonnes per day—and commands more than 60 per cent of the market share. Reddy, who had started the company with ₹3 crore, has turned Balaji Amines into a ₹2,300-crore (FY22 revenues) speciality chemicals giant. No wonder then that he is the winner in the Emerging Companies category of the *BT*-PwC India's Best CEOs ranking.

Balaji Amines imports bulk raw material like methanol (8,000 tonnes every month) from countries like Saudi Arabia and Iran, makes speciality chemicals, and sells/exports the products. It saves a significant amount through import substitution. Around 35 per cent of its products are exported today to places like Europe, Japan, China, etc. Today, Balaji Amines has more than 12 plants in Maharashtra's Solapur, and it has a portfolio of around 30 products.

If you think Reddy has had a charmed life since he turned entrepreneur, you're far from the truth. Of course he faced challenges. "There were a lot of problems during the initial days. We had taken up the challenge of setting up a high-tech speciality chemicals plant that can compete with internationally developed technologies. Even today, we don't have much competition in India, but are competing with global multinationals like BASF and Dow," he says.

There have been challenges in the recent past as well.

Emerging Companies

ANDE PRATHAP REDDY

CHAIRMAN, BALAJI AMINES

Revenue from operations	**FY22**	2,322.27
	9MFY23	1,884
Profit before tax	**FY22**	578.29
	9MFY23	481.85
Profit after tax	**FY22**	417.90
	9MFY23	350.47
	FY22 RoE (%)	38.98
	Market Cap	7,596.09

- Data is on a consolidated basis; all figures in ₹ crore except RoE; 9MFY23: April-December 2022
- M-cap as of April 19, 2023
- Data Source: BSE, ACE Equity

PHOTO BY **HARDIK CHHABRA**

GOOD CHEMISTRY Ande Prathap Reddy, Chairman, Balaji Amines

Key Highlights

❶ Reddy was just 25 when he started his first venture with a loan of ₹25,000

❷ He churned out eight successful small-scale ventures before setting up Balaji Amines in 1988

❸ The company's first product, methylamine, is extensively used in industries like pharma, agrochemicals, water and paint chemicals, etc.

❹ The company exports 35 per cent of its products to places like Europe, Japan, China, etc.

His customers in the pharma and agrochemicals sectors have been "facing profitability issues" for the past six months. Their demand and pricing have been adversely affected due to volatility in input cost caused by supply chain disruptions and fluctuations in oil prices. But Reddy, who knows the business inside out, is unruffled. "Our growth will come from stabilising the recently commissioned plants for dimethyl carbonate (DMC)and propyl glycol (PG) and commissioning the ongoing expansion projects for n-Butylamine and methylamine plants. The ongoing de-bottlenecking of some of the existing plants will also contribute to our growth this year," he says.

In exports, too, the company is expected to see some headwinds. "We were exporting 35 per cent of our products earlier; that number has become 15 per cent due to lack of demand because of the [Russia-Ukraine] war."

Since inception, Reddy has been closely involved in the day-to-day functioning of the company, but in the past few years, his prime focus has been on developing new market strategies, product selection and planning processes. "I am hands-off on operations; they are driven by the competent teams we have built in the past few years. I pick industries where I am either the No. 1 or the No. 2 player. My time is spent looking for future growth opportunities and long-term sustainability of the business," says Reddy.

For 75 per cent of the products it manufactures, Balaji Amines is the only manufacturer in India. The reason for his success, says Reddy, lies in his agility and risk-taking nature. "Over the years, I have obviously made more correct decisions than wrong ones, resulting in value creation and growth of the company. I continue to be a risk-taker, which I believe is an important component of building a sustainable and growth-oriented business," he adds.

As Balaji Amines continues to scale new heights, Vinay Khattar, Head of Research at Edelweiss Securities, believes its strong investment plans will drive the company's long-term growth. "Under Phase II of the greenfield project, Balaji Amines announced a strong pipeline of capex for setting up the n-Butylamine capacity (15,000 million tonnes per annum), the acetonitrile plant (15,000 mtpa) based on new technology, which will aid in absorbing acetic acid price volatility, and the 40,000 mtpa capacity addition of methylamines to satisfy rising demand from the agrochemicals and pharma industries," he says.

According to Khattar, Balaji Amines's performance over the next three years will be driven by volume growth, coming from DMC and PG plants, n-Butylamine, dimethyl formamide, acetonitrile and methylamine plants. "With the operationalisation of these plants, the management aims to achieve the ₹4,000-crore mark in top line. We expect Balaji Amines earnings to register 22 per cent CAGR over FY23-25E," he says.

At 72, Reddy is not done yet. His vision is to make Balaji Amines one of the most efficient and value-creating speciality chemical companies in the world. "Given the base we've established, I believe we'll reach there in the next few years," says Reddy, who is often credited with putting India on the global map when it comes to quality speciality chemicals. BT

@PLidhoo

Tough and Sweet

With his deceptively calm demeanour, S. Suresh is transforming sugar and sweetener major EID Parry into a food, fuels and nutrition company

By **Rahul Oberoi**

JUICING UP S. Suresh, MD, EID Parry (India)

▶ **WHAT DOES IT** take to run one of the oldest businesses in the Indian subcontinent? Ask S. Suresh, MD of 235-year-old sugar and nutraceuticals manufacturer EID Parry (India), and he says staying calm in a crisis, maintaining an exercise regimen and keeping your eyes peeled for any change in the market does the trick. His mantra is corroborated by the fact that since he took over as MD in August 2017, the company's consolidated top- and bottom lines have grown by 10 and nearly 12 per cent, respectively, every year till FY22. So, what has helped him to achieve such double-digit growth in recent years?

Suresh cites the example of shutting down underutilised plants in Tamil Nadu and shifting the assets of another to a factory in Karnataka, to explain that consolidating the company's capacities and operations has helped them. He also talks about how he is focussed on transforming the sugar and sweetener major into a food, fuels and nutrition company over the next five years. "This strategy, coupled with the organic growth of cane through connections with farmers, has helped us increase cane volumes from 3.7 million tonnes per annum (mtpa), to more than 5 million mtpa over the past five years," he says, adding that with higher recovery of sugar, the profitability of a company in this industry becomes better.

With over three decades of experience, Suresh—a mechanical engineer, with a postgraduate diploma in industrial engineering and an MBA in finance—has worked across industries and segments such as sales, marketing, manufacturing, industrial relations, supply chain, etc. His wide experience is also reflected in the company's consolidated return on capital employed (ROCE) (excluding fertilisers company Coromandel International, where it holds more than 56 per cent stake) that has more than doubled to 13 per cent between FY18 and FY22, per data shared by it. No wonder, it has led him to emerge as the winner in the Agriculture & Allied category of the *BT-*

Key Highlights

❶ Suresh says consolidating the company's capacities and operations has helped them

❷ He is focussed on transforming the sugar and sweetener major into a food, fuels and nutrition company in five years

❸ He says that higher recovery of sugar improves the profitability of a sugar producer

PHOTO BY **RA CHANDROO**

Agriculture & Allied

S. SURESH

MD, EID PARRY (INDIA)

Revenue from operations	**FY22**	23,527.93
	9MFY23	28,390.71
Profit before tax	**FY22**	2,129.11
	9MFY23	2,136.09
Profit after tax	**FY22**	1,573.70
	9MFY23	1,540.84
	FY22 RoE (%)	31.81
	Market Cap	9,085.35

- Data is on a consolidated basis; all figures in ₹ crore except RoE; 9MFY23: April-December 2022
- M-cap as of April 19, 2023
- Data Source: BSE, ACE Equity

PwC India's Best CEOs ranking.

On being asked how the company has managed to achieve such robust return ratios, Suresh talks about a four-pronged strategy, that is based on cane volume growth; sugar recovery progression; maximising the value creation of sugar through improved realisation in the B2C and B2B markets; and value addition. "We started our value addition initiative five years ago and have been staying on track by increasing... retail sales. We add a substantial value to end consumers in these channels and thus deliver better value," he explains.

In the B2C space, EID Parry is rapidly transforming from a sugar producer to a sweetening solutions provider under Suresh's leadership. He says that with sugar being considered a source of energy in India, the branded sugar market in India is slated to go up from 8 per cent in FY21 to 15 per cent by FY25. "Armed with a 200-plus-year-old brand Parrys denoting trust, the company is at a vantage point to... capitalise on this opportunity," he says.

Another strategy of growth for EID Parry has been "increasing the biofuel volumes". He says, "Thanks to the government's impetus on ethanol blending... We are almost doubling our capacity from 297 kilo litres per day (klpd) as of December 2022 and to 580 klpd by April 2024." The company is also focussing on controlling fixed costs, with Suresh spearheading various initiatives towards efficiency improvements and cost controls through innovations across the farm-to-fork value chain.

With the narrowing spread between the cost of cane and the price of sugar, Suresh says the mantra for success has been to unlock the value from every stick of cane and look at opportunities to premiumise/fortify every product in the value chain. "In keeping with the shift towards healthy alternatives, we have developed a healthier sugar, 'Sweet Care' that helps protect against the onset of diabetes," he says. EID Parry is also looking at producing different grades of ethanol from by-products such as molasses and bagasse and selling it to oil marketing companies, pharma manufacturers and alcohol manufacturers, among other use cases that are being developed.

In terms of competition, EID Parry is emerging as a food and biofuels firm as compared to just being a sugar producer selling in the commodity markets. "To capture the opportunity in the ethanol space, we should be doing somewhere closer to around ₹260-270 crore of capex over the next two years," says Suresh, adding that currently ethanol contribution in consolidated turnover (excluding Coromandel) was 11 per cent in FY22.

But the story doesn't end there. With a rally of 171 per cent, shares of EID Parry have outpaced the BSE Sensex (up 64 per cent) in the past five years till February 28. And analysts say that its prospects are strong given the government's focus towards the sector and its stake in the cash-rich Coromandel. "With the entry into the branded sugar space, the company will move to the consumer space from just a commodity business. A consumer-oriented company gets more advantage over a commodity company. The company's decision to strengthen its ethanol business offers one more avenue of income going ahead," says, Kranthi Bathini, Equity Strategist at WealthMills Securities.

Further, Girish Sodani, Head of Equity Market at Swastika Investmart, says that with the company expanding the capacities of its Haliyal distillery in Karnataka and the Nellikuppam unit in Tamil Nadu to 120 klpd each, the company's overall distillery capacity will be at 582 klpd per annum. "This is expected to be commissioned by Q4FY24. And the development seems positive for EID Parry," he adds. BT

@iamrahuloberoi

❹ Suresh is leading many initiatives to improve efficiency and control costs

❺ The mantra for his success has been to premiumise every product in the value chain

GREEN GUARDIAN

Timken India's Sanjay Koul, who puts the planet first, people second and profits third, wants to double the company's revenues in the next five years and make it the most preferred brand in the country

By **Prerna Lidhoo**

▶ **GROWING UP IN** Kashmir, Sanjay Koul spent his childhood surrounded by the breathtaking beauty of the valley nestled among the majestic Himalayan mountains. The area is also notorious for testing one's perseverance during the harsh winter months. As he grew older, he developed a deep appreciation for sustainability, a sense of community and deep resilience—values that he still holds dear as Chairman and Managing Director of Timken India, incorporated in 1987 as Tata Timken Ltd (TTL), a joint venture between Tata Iron and Steel Company (Tisco) and The Timken Company, a world leader in tapered roller bearings. (In 1999, Timken acquired from Tata Steel its 40 per cent stake in Tata Timken Ltd and the name of the company was changed to Timken India Ltd).

Koul has seen Timken India—which manufactures engineered bearings and power transmission products—evolve from its early days. He joined the company just before it commenced commercial production at its Jamshedpur plant in March 1992; in fact, he helped set up the plant. "The way manufacturing was done 30 years ago is different from how you do manufacturing today. [In] those days, nothing was digitised. Now, manufacturing plants have process automation, digitisation, robotics, etc. for each of the processes. Manufacturing has changed its shape but has not changed its DNA," he says. "Today, efficiency has become key." In the past one year, Koul has spearheaded the company's adoption of robotics and process automation. "Today, we are digitally connected to our suppliers and our customers. It is very tough for CEOs to function today without tech. I should know things like Twitter, SAP, LinkedIn. People who will not adapt will pay a price," he says.

The Timken India strategy involves not putting all eggs in one basket. While automotive is one part of its operations—especially heavy trucks, tractors, excavators, etc.—the company is also heavily focussed on serving the railways as a locomotive partner. Apart from that, the company is also involved in steel- and mining-related manufacturing. "We are actually in a fragmented market across the board. The only places in the auto sector where we don't play are the two-wheeler market, the three-wheeler market, and the low-volume passenger car market. Out of our total kitty of sales in India, automotive would be 20 per cent," he says.

While Timken India is not heavily dependent on automotive, Koul, the winner in the Auto & Auto Ancillaries category of the *BT*-PwC India's Best CEOs ranking, considers it a very important segment for the company. According to him, the company's strength lies on the design side and represents the India-US relationship very well. "India and America are natural allies and our company is a testament to that long-standing relationship. Both these nations can do a lot of business together. America has a lot of design potential, while India has youth on her side. India will only become great when we will become a design powerhouse; we don't want to be a

Auto & Auto Ancillaries

SANJAY KOUL

CHAIRMAN AND MANAGING DIRECTOR, TIMKEN INDIA

Revenue from operations	**FY22**	2,203.20
	9MFY22	2,004
Profit before tax	**FY22**	438.20
	9MFY23	386.60
Profit after tax	**FY22**	327.10
	9MFY23	286.30
	FY22 RoE (%)	21.80
	Market Cap	22,790.52

- Data is on a standalone basis; all figures in ₹ crore except RoE; 9MFY23: April-December 2022
- M-cap as of April 19, 2023
- Data Source: BSE, ACE Equity

PHOTO BY **SANDESH RAVIKUMAR**

IN THE DRIVER'S SEAT Sanjay Koul, Chairman and MD, Timken India

Key Highlights

❶ Sanjay Koul joined Timken India just before it commenced commercial production at its Jamshedpur plant in March 1992; in fact, he helped set up the plant

❷ Under Koul, Timken India has diversified its products portfolio. Now, the company is not heavily dependent on automotive, but considers it a very important segment

❸ Going forward, Koul wants Timken India to outgrow the market

sweatshop. This relationship will only blossom in the future," he says pointing to the India-US flags kept on his office table in Bengaluru's Electronic City.

As a leader, the question of growth versus profitability was never a tricky one for him. "The mantra for us is profitable growth. Growth without profitability? We don't play that game. That's why we don't play in the two-wheeler market where there's huge volume but it's a commoditised market. Timken loves a market where there's core engineering involved; for example if you want to do deep-sea drilling. We like to play in this market because it's a tough market and profitability is going to come if we become the only ones to crack it," he adds.

Koul doesn't shy away from accepting his mistakes, a mark of a good leader. "Last year, there was a huge crisis of steel. We could have taken some early bets and purchased steel and kept them as inventory which we did not do. Currently, the whole industry has to pay a heavy price of producing steel at a high cost," he said.

He bets on India's huge headroom for growth. For bearings, he says, India is only a $2-billion market compared to China's $20 billion. His belief in the India story is unshakable. "India is going to grow, it's a no brainer. Only 15 per cent of our economy is manufacturing, you can only imagine how much growth is going to come," he says.

Koul, who is usually the first one to come to office and the last one to leave, is an ardent believer of ethics and clean play whether it's his work or personal life. Neither would he ever cheat a customer nor trade anything in place of his family time.

"Family helps you stay grounded as a leader. A cup of tea in your garden with your family is as great as going to the Alps. It's all about a state of mind. Tea with my wife is a ritual, that's usually how I start my day. I've not gone on long holidays but this is something that I've not traded for anything," he says.

Going forward, he wants Timken India to outgrow the market. "I want to double the company's revenues in the next five years. I want to make Timken the most preferred brand in India. That is already happening in railways, I want to take that across the industry. The capability that we've accumulated in the last 15 years, I want to take advantage of that engineering-wise, from new design perspective. Yes, there will be challenges but need to keep a sharp focus," he says.

Drawing on the lessons he learnt in the mountains, Koul approaches every challenge with a keen eye for detail and a determination to find creative solutions. "As a leader, you have to put the planet first, people second and profits third." BT

@PLidhoo

Captain **Cool**

Building on the legacy of some illustrious leaders, Dinesh Kumar Khara has taken State Bank of India, India's biggest lender, to new heights

By **Anand Adhikari**

▶ **IN 2017, RAJNISH** Kumar and Dinesh Kumar Khara, both MDs then, were in the running for the chairmanship of State Bank of India. While Kumar was picked as Chairman then since he had joined SBI as probationary officer four years before Khara and he was also a year older in the senior management team, it was a given that Khara would replace Kumar after his retirement. Even members of the Banks Board Bureau—set up by the government to recommend people to head public sector banks—who had interviewed him then, were impressed. "We found him intellectually very sharp, with a lot of innovative and practical ideas," says a senior member, requesting anonymity. Finally, Khara was elevated to the corner office in October 2020, at a time when banks and the economy—both global and domestic—were facing challenges due to the pandemic.

Two and a half years into the top job and Khara, despite facing a number of challenges, is sitting on record profits. Not only that, SBI's asset quality has improved,

PHOTO BY **MANDAR DEODHAR**

CONFIDENT PLAYER Dinesh Kumar Khara, Chairman, SBI

BFSI

DINESH KUMAR KHARA

CHAIRMAN, STATE BANK OF INDIA

Revenue from operations	**FY22**	2,89,972.69
	9MFY23	2,52,761.39
Profit before tax	**FY22**	49,738.63
	9MFY23	51,962.99
Profit after tax	**FY22**	36,356.17
	9MFY23	38,215.18
	FY22 RoE (%)	13.61
	Market Cap	4,82,241.40

- Data is on a consolidated basis; all figures in ₹ crore except RoE; 9MFY23: April-December 2022
- M-cap as of April 19, 2023
- Data Source: BSE, ACE Equity

its costs are under control and the share of safe and secure retail assets have also increased. It comes as no surprise then that Khara has emerged as the winner in the BFSI category of the *BT*-PwC India's Best CEOs ranking.

With an MBA from Delhi University's Faculty of Management Studies, this Delhi lad had started as a trainee officer at a branch in Jaipur, almost four decades ago. "Apart from civil services, banks were regarded as one of the best places to work," says Khara, recalling his days of manual banking and the importance of ensuring that correct information was entered into the accounts. "Today's young bankers will not understand how mental computing used to work in those days," grins Khara.

Many SBI insiders say that Khara made it to the top because of the challenging assignments he took and excelled at. For instance, his most difficult stint was as a deputy general manager in the Naxalite-affected region of Chhattisgarh, where he was in-charge of the state's 250-odd branches. "It was the zone with the widest coverage and the most difficult area," says a former colleague, requesting anonymity. Understandably, not many were keen on such a posting, but Khara camped at the regional office in Jagdalpur that oversees the branches in Bastar, Dantewada and Kirandul. "I always used to visit the branches once a month," recalls Khara. During his stint there, SBI implemented its core banking solution, issued debit cards and installed ATMs at railway stations.

Soon after his Chhattisgarh stint, Khara was tasked with leading mergers and consolidation at the bank. The highlight there was the merger of State Bank of Saurashtra that SBI had announced in 2007. To get this done seamlessly, Khara studied the Supreme Court's ruling on the Punjab National Bank and New Bank of India merger case—where employee unions had contested the plan—before developing SBI's strategy. His in-depth analysis also laid the groundwork for the subsequent mergers of six other associate banks a couple of years later.

Khara's big break came in November 2013, when then Chairman Arundhati Bhattacharya nominated him as MD and CEO of SBI Mutual Fund—his biggest assignment outside the bank. This gave him the exposure of dealing with stock market regulators, small investors and a different ecosystem of distributors. "Learning, assimilating and then implementing is the process one follows," says Khara, who led the company for three years, during which time it emerged as the largest ETF (exchange-traded fund) manager in India. "It was under Khara's tenure that the fund house introduced online investing," says an employee there, requesting anonymity.

Following this, Khara was brought back to SBI as MD of Corporate Banking & Subsidiaries in August 2016. Here, he kicked off the synergies within the bank's vast network, employees and customers with the foresight that they were not just looking at plain-vanilla banking anymore. "Customers were at different stages of their lives. They were looking at alternative assets, such as mutual funds, life insurance, general insurance, pensions, etc.," says Khara. During this time, SBI's subsidiaries SBI Cards and SBI Life also tapped the public markets; and it introduced the corporate solution group—that would be a one-stop shop for the bank's suite of services. "The foundation was laid at that time, but now it has started delivering value and creating value for our corporate clients," says Khara, proudly.

Key Highlights

❶ As MD at SBI, Khara kicked off synergies within the bank with the foresight that customers were not looking at plain-vanilla banking anymore

❷ He developed a framework to merge SBI's associate banks with it

❸ Under Khara, SBI is now working on YONO 2.0, its digital bank

❹ Khara is also focussing on the productivity of employees

After stepping into the corner office, Khara has been focussing on the productivity of the bank's employees. "The idea is to prepare people for delivering returns. As a bank, we are generally focussed on the top line, but we have also started focussing on the bottom line and then RoA and RoE," he says. Essentially, he has tried to align the performance of the bank with the key parameters by which investors evaluate it. "I started passing on relevant information to all our employees so that their priorities would not get lost," he says. Clearly, SBI is on a strong footing. "The way the bank is evolving is [a reflection of] the way the Indian economy is evolving. There is a growing middle class, with aspirations for a better life. This is going to offer a huge opportunity for us to grow," says Khara, with a twinkle in his eye. BT

@anandadhikari

ADDING UP THE PENNIES

Puneet Dalmia, who is steering growth for Dalmia Bharat primarily through buyouts, says cement is a pennies business that has to be earned every day

By **Krishna Gopalan**

▶ **"IT WAS A** mess," says Puneet Dalmia in a calm voice. Dressed casually in a T-shirt, the Managing Director of Dalmia Bharat Group is all keyed up when he talks about the cement business. The "mess" he is referring to is in connection with the buyout of Murli Industries, a Nagpur-based company, announced in late 2017 through the IBC process. The ₹402-crore acquisition brought to the table capacity of 3 million tonnes per annum (mtpa) in Maharashtra's Chandrapur region. From a strategic point of view, it was a necessity. The cement major needed a presence in western India, which was a weak link in Dalmia Bharat's portfolio.

But, as Dalmia says, the plant was a mess. While he and his team knew that it had been shut for four years, what they saw was shocking. "Gearboxes and transmission lines had been stolen. It was clear that the capex needed would be more than what we had in mind." Banking on their expertise as turnaround specialists, the team worked hard for the next 12 months. Money was put in to correct a host of issues, including those related to mining leases and sourcing raw material.

"We managed to increase the life of the mine. Today, we are at 50 per cent utilisation and it has taken 18 months to get there," says Dalmia, an alumnus of IIT Delhi and IIM Bangalore, who is also the winner in the Cement category of the *Business Today*-PwC India's Best CEOs ranking.

Dalmia, 50, picks four areas that make his company stand apart. "We take a long-term view since yearly returns are very volatile. On top of that, we are consistent on our conviction both about the cement sector and India's ability to build world-class infrastructure," he says. The second part relates to scale. "Geographical diversification is a key part of this," he says, adding that was why Dalmia Bharat bought out Jaiprakash Associates' (Jaypee) plants in Madhya Pradesh, Uttar Pradesh and Chhattisgarh. The ₹5,670-crore deal, announced last December, gave Dalmia Bharat a foothold in central India, with a capacity of 5.2 mtpa. Soon after, a report by research firm Emkay Global said Dalmia Bharat's capacity mix after the buyout will be 52 per cent in the East, 26 per cent in the South, 16 per cent in the central region and 6 per cent in the West. From 38.6 mtpa, Dalmia Bharat, after the transaction concludes, will have a capacity of 46 mtpa, making it the fourth largest cement maker after UltraTech, ACC and Ambuja, and Shree Cement.

A substantial part of the growth has come through buyouts. Besides Murli Industries, the other deal through the IBC was the 1-mtpa Kalyanpur Cement in Bihar, bought in early 2018 for ₹353 crore. Dalmia says a mix of organic and inorganic growth results in not just synergies, but

Cement

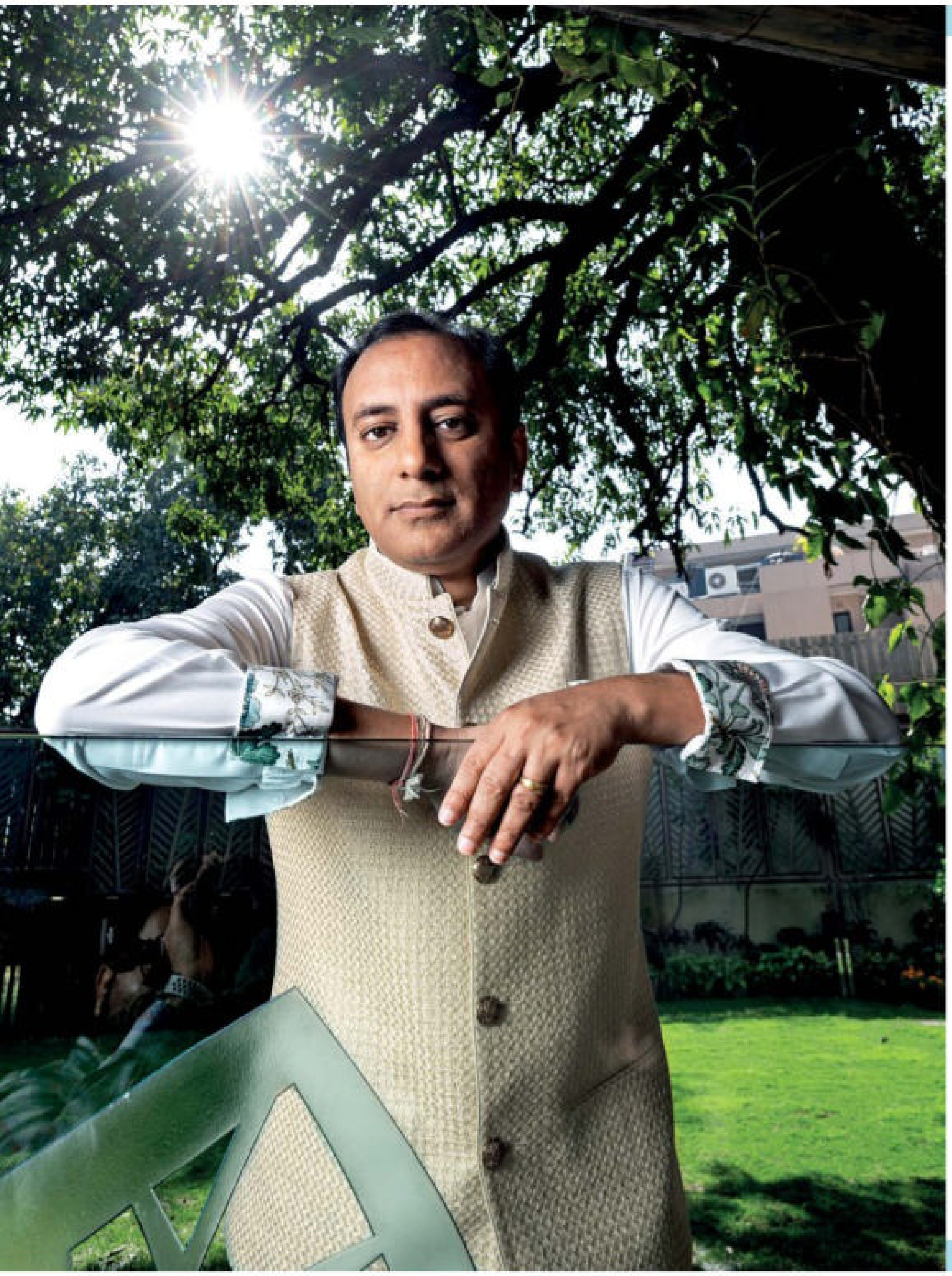
PUNEET DALMIA

MANAGING DIRECTOR, DALMIA BHARAT GROUP

Revenue from operations	**FY22**	11,286
	9MFY23	9,628
Profit before tax	**FY22**	1,147
	9MFY23	567
Profit after tax	**FY22**	845
	9MFY23	470
	FY22 RoE (%)	8.15
	Market cap	38,490.66

- Data is on a consolidated basis; all figures in ₹ crore except RoE; 9MFY23: April-December 2022
- M-cap as of April 19, 2023
- Data Source: BSE, ACE Equity

PHOTO BY **HARDIK CHHABRA**



A WINNING STRATEGY Puneet Dalmia, Managing Director, Dalmia Bharat Group

Key Highlights

❶ Dalmia Bharat has earned the reputation of being turnaround specialists, especially with assets they have acquired

❷ A long-term approach to a highly commoditised sector, thinking scale and geographic diversification are the factors that make the company different

❸ The recent buyout of Jaypee's plants in Madhya Pradesh, Uttar Pradesh and Chattisgarh gives Dalmia Bharat additional capacity of 5.2 million tonnes per annum (mtpa) and a foothold in central India

❹ In 2012, the company had a capacity of 9 mtpa; once the Jaypee deal is completed, it will be at 46 mtpa

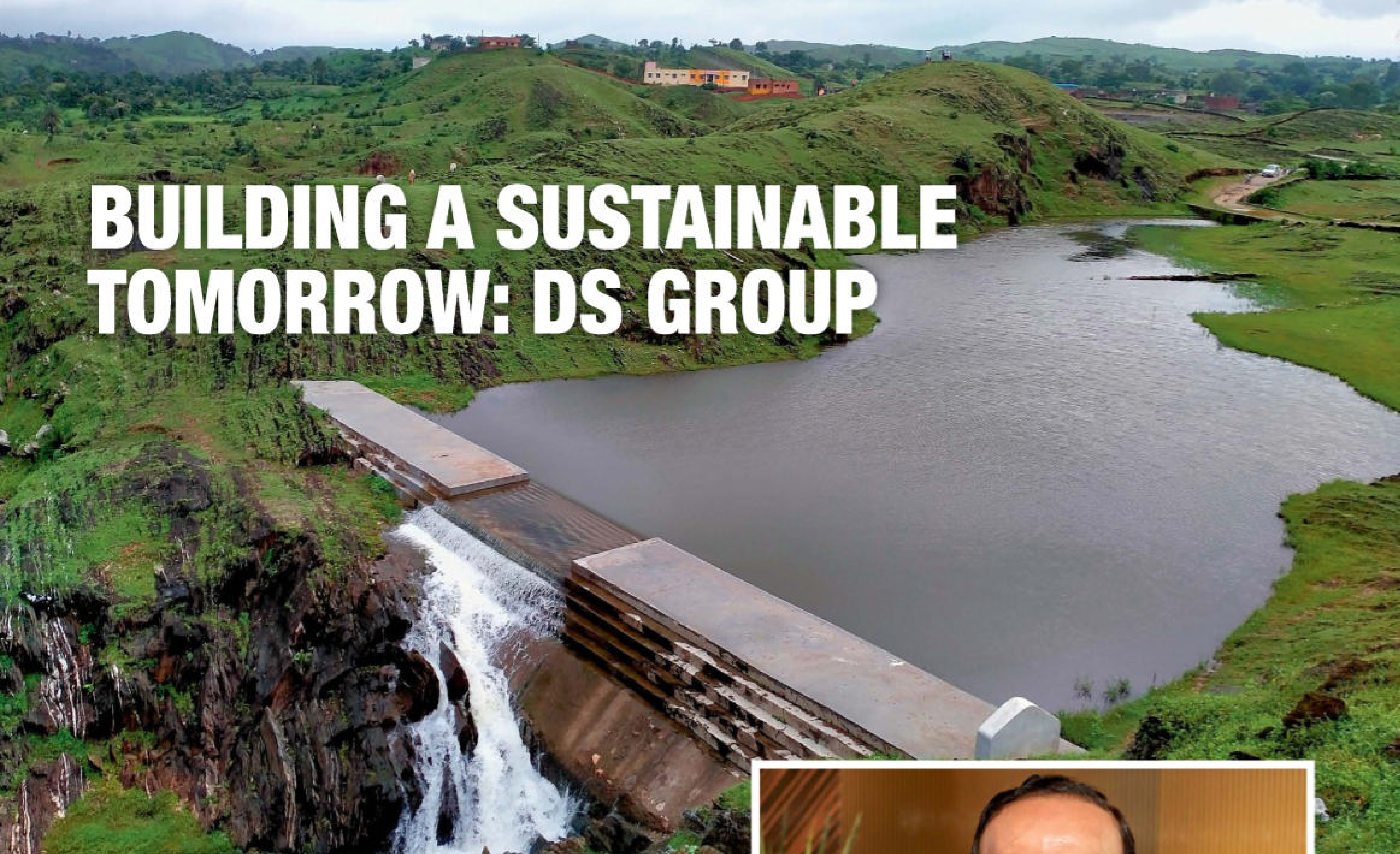
❺ Known to be a tough negotiator, a good example of Dalmia Bharat's skills is the buyout of Jaypee's assets, struck at $77 per tonne or a discount of almost 25 per cent to the replacement cost of $100-110 per tonne

also helps in fast-tracking entry. "But you must know how to integrate these acquisitions and quietly turn them around. We are very good at that," he says. According to Dalmia, his strengths lie in reducing costs "dramatically", increasing capacity utilisation and improving brand positioning. And after years of doing this, the time to integrate a buyout has come down from 36 months earlier to 12-18 months now. The last component of his strategy is to live in harmony with nature and as he says, ESG at Dalmia Bharat was imbibed much ahead of time. "It [Dalmia Bharat] has not just moved from a capacity of 9 mtpa in 2012 to almost 40 mtpa now, but with that are sustainable revenues and quality financials. The inorganic route has helped [Dalmia Bharat] increase market share and become the fourth largest player in India," says Sanjay Shyam Moorjani, Research Analyst at Samco Securities. He adds that the company has outperformed in the last decade with revenue growing faster than the demand for cement. Moorjani says that a focus on premium products, manufacturing plants located close to the source of raw material and the thrust on renewable energy leading to lower power and fuel costs as being strategic differentiators for Dalmia Bharat.

Dalmia wants his company to have a pan-India presence, and that is part of a 10-year commitment he has made to its investors. "We have to grow in the North and West," he says, explaining that margins are thin in the cement business and the cost structure must always be tight. "This is a pennies business and you have to earn that every day," he sums up. BT

@krishnagopalan

BUILDING A SUSTAINABLE TOMORROW: DS GROUP



The DS Group (Dharampal Satyapal Group) is a Multi-Business Corporation and one of the leading FMCG (Fast Moving Consumer Goods) conglomerates with a strong Indian and International presence. Founded in the year 1929, the Group is guided by a clear set of values and built on a strong foundation of collective good. The Group endeavours for the sustainable well-being of the stakeholder communities by addressing economic, environmental, and social issues and challenges.

The Group works on projects across the country to achieve the aforesaid objective focusing on critical areas such as Water, Livelihood, and Education. The projects of the Group are designed on the principles that indigenous knowledge, academic inputs and technological advancement are essential for sustainable development. The Group works in multi-dimensional approaches with the objective to do impactful work with the communities bringing together critical stakeholders like local Government Institutions, recognized Non-Governmental Organisations (NGOs/INGOs), esteemed Educational Institutions, and domain experts for conceptualizing robust CSR projects..

"As responsible corporate citizens, it is our duty to protect our planet and preserve it for future generations. We endeavour to create positive social change and contribute towards building a more equitable society where we empower individuals to reach their full potential and lead a better quality of life. We believe that sustainable practices are not only good for the environment but also essential for the long-term success of our business. By integrating sustainability into every aspect of our operations, we strive to create a better world for our stakeholder communities and for those who will inherit it in the future." said Mr. Rajiv Kumar, Vice Chairman, DS Group.

The Group's CSR work has been recognized and conferred with many notable awards by various organizations & institutions including the National Water Awards by the Ministry of Jal Shakti and most recently FICCI Corporate Social Responsibility Award.

Water Conservation

According to the World Bank report, 40% of the world's population lives in water-scarce areas. Climate change has increased the incidences of drought and floods across the globe including India. In the last 20 years, climate change has had sweeping changes in Monsoon which has impacted countries like India which are heavily dependent on seasonal rains. These changes have led to a reduction of water recharge in the streams by 35% causing severely decreased irrigation potential, agriculture productivity, and undermined livelihoods, and food security. Focusing on water conservation and restoration, DS Group has ongoing Water Conservation projects in 6 states of India, namely Rajasthan, Madhya Pradesh, Uttar Pradesh, Himachal Pradesh, Uttarakhand, and Gujarat.

Therefore the construction of recharging and storage structures, renovation of existing defunct and underutilized water bodies, and soil conservation measures are taken on under this project. The Group is also forming and nurturing two-tier community institutions, water user groups for regulating water utilization at the source level, and the village development committees.

The Group conceptualized the 'Water Economic Zone, an integrated watershed development project in 2018 to enhance natural resources, particularly water and soil for supporting an agriculture-based economy. Through this project alone, the DS Group's CSR programme has reached out to more than 23000 people from 26 villages, mostly from the tribal background. The project has treated an area of around 11000 hectares in Alsigarh and Kurabad areas of Udaipur.

Prior to the intervention, the area was characterized by low productivity, rain-fed farming, severe soil erosion and degraded land and forest. Alternative practices like drip irrigation, rain guns based on Solar Pumps, which reduces the practice of flood irrigation and use of fossil fuel based-pumps focus on water preservation and usage of green energy. Besides this, the Farmers were trained on Good Agricultural Practices (GAP) for existing crops.

This project is now being replicated in 3000 ha. Area in Khandwa and 1700 ha area in Betul districts of Madhya Pradesh. Under the water conservation initiatives, 900+ water harvesting structures have been constructed or renovated with a cumulative storage capacity of around 80 Lakh cubic metres till date, bringing more than 2300 hectare area under irrigation.

Livelihood Enhancement

The Group supports a range of projects, which are focused on strengthening the enabling environment for existing livelihood opportunities by providing backward and forward linkages, inculcating improved practices, value addition in products, introducing new technology, facilitating environment and imparting skills for sustainably enhancing incomes. The associated community is also endowed with market-oriented skills and vision to explore diverse avenues to utilize the opportunities in the emerging job market.

Agriculture, Livestock, Entrepreneurship and Skill Development have been the core sub-thematic areas of Intervention. In agriculture, Sustainable and Comprehensive Agriculture for Livelihood Enhancement (SCALE) is a one of its' kind project where farmers are being provided with end-to-end support to encourage large-scale production so that they can directly supply to institutional buyers. The Group is also supporting Farmer Producer Organisation (FPO) for these projects.

The CSR interventions of the DS Group have already impacted livelihoods of 29,263 households across Rajasthan, Madhya Pradesh, Uttar Pradesh, Jharkhand, Maharashtra, Assam, and Tripura. The Group directly works with more than 25,000 Farmers on improved agricultural practices, diversified crop patterns, organic farming, post-harvesting practices, market linkages, and livestock management. As of today, approximately 250 households have been supported by the Group through acclaimed Civil Society Organisations (CSO), working in this sub-thematic area.

Education

Initiated in the year 2015, the Group has undertaken a wide range of initiatives to promote quality education through Formal, Non-formal & Remedial methods. The projects are largely focused on bringing development in cognitive and affected domains of the children. The group is running - schools to provide formal education to underserved communities and supporting a school in the tribal area of Sheopur district in Madhya Pradesh. For Non-formal and Remedial education the group has partnered with CSOs that expose students to methodology. Through these projects, the group has served more than 20,000 tribal and urban slum-dwelling students in the age groups 3 to 22 years.

Apart from this, through a very unique project called "Creative Adda", the group also encourages skill based education for the students. The students are facilitated to explore their learning interests and co-create and design their own learning path.

Other Interventions

The Group also actively undertakes various other CSR interventions which contribute towards the Sustainable Development Goals (SDG). These interventions include setting up mid-day meal kitchens, promoting Swachh Bharat Abhiyan by constructing toilets & spreading awareness, providing basic medical services, renovating schools, supporting orphans, setting up mobile medical units, disaster relief works etc.

THE MAN WITH THE MAGIC FORMULA

Deepak C. Mehta has helped Deepak Nitrite become the fifth-largest listed chemicals player in terms of m-cap from the 24th spot a decade earlier

By **Rahul Oberoi**

▶ **"THE EXCITEMENT OF TRYING** something new always drives me, and therefore stress doesn't feel like stress," says 66-year-old Deepak C. Mehta, with childlike glee. The Chairman and MD of Deepak Nitrite has been associated with the company, founded by his father Chimanlal K. Mehta in 1970, for the past 45 years. During this time, the company's products portfolio has expanded significantly, whereas its market capitalisation has also grown manifold. Sample this: from the 24th spot a decade ago, Deepak Nitrite has now become the fifth-largest listed chemicals player in terms of market capitalisation, at ₹25,208 crore on April 19, 2023. Plus, its clients are now spread across more than 45 countries.

And a major chunk of the credit for this growth goes to Mehta, whose ability to spot trends before they become mainstream has come in handy. Backed by this ability,

Chemicals

DEEPAK C. MEHTA

CHAIRMAN AND MD, DEEPAK NITRITE

Revenue from operations	**FY22**	6,802.19
	9MFY23	6,010.70
Profit before tax	**FY22**	1,434.45
	9MFY23	830.73
Profit after tax	**FY22**	1,066.64
	9MFY23	618.14
	FY22 RoE (%)	37.52
	Market Cap	25,208.16

- Data is on a consolidated basis; all figures in ₹ crore except RoE; 9MFY23: April-December 2022
- M-cap as of April 19, 2023
- Data Source: BSE, ACE Equity

PHOTO BY **NANDAN DAVE**

BREWING A SOLUTION Deepak C. Mehta, Chairman and MD, Deepak Nitrite the company has reported revenue growth at a CAGR of 36 per cent between FY17 and FY22. Its net profit has also grown at a CAGR of 62 per cent in that period, with the stock markets, too, rewarding it for its consistency. The company's share price jumped over 15 times between FY17 and FY22, with the return on capital employed standing at 44 per cent in FY22. "We started looking at being more India-centric in 2017 due to the faster growth rate of the country. We also restricted our selection to only high-demand items in India," says Mehta, the winner in the Chemicals category of the *BT*-PwC India's Best CEOs ranking this year. The company, a leading chemicals manufacturer, boasts of a client base that includes marquee names such as Reliance Industries, Unilever, Bayer CropScience, UPL, Lupin, Sun Pharma, Aurobindo Pharma, Goodyear and Indian Oil, among others.

"Innovation, agility, *atmanirbharta* (self-reliance), capacity expansion and an incessant focus to capture the domestic markets, has helped us to stay ahead of the game," explains Mehta, adding that the company started working on AtmaNirbhar Bharat before it became a buzzword. For instance, one of its subsidiaries, Deepak Phenolics, had invested ₹1,400 crore till 2018 to put up a phenol and acetone production facility with annual capacities of 200,000 and 120,000 tonnes, respectively. The investment has borne fruit, as Deepak Nitrite's revenues from operations jumped to ₹6,802 crore in FY22, from ₹1,360 crore in 2017, with phenolics contributing 62 per cent.

Then there are other growth engines on the anvil. Like the company's recently approved capex of ₹1,000 crore (in addition to the existing ₹1,500 crore planned) to enter the polycarbonate compounding market, as well as for a sodium nitrite project in Oman—with backward integration in hydrogenation and distillation capacity—that provides growth visibility beyond FY25. "This will help the company's growth plans and the new brownfield projects will benefit our future performance. We continue to reduce our leverage and strengthen our balance sheet, increasing the headroom for growth capex," says Mehta. Incidentally, in FY22, the company had managed to reduce its debt-to-equity ratio to 0.09, from 1.01 in FY17.

Ashwini Sonawane, Research Analyst at Way2Wealth, wrote in a report, "Over the years, the company has successfully diversified into different business segments, newer geographies and new clients, thus providing a competitive edge over peers."

No wonder then that Mehta is bullish about the domestic chemicals industry, which made up 79 per cent of the company's revenues in Q3FY23. "The Indian chemicals market will cross $300 billion in the next three to four years and $600 billion in seven years, from about $180 billion at present," he says, adding that India—currently the sixth-largest chemicals player in the world with 3-4 per cent market share—will rise to the third or fourth place over the next five years. The leader of the pack, China, has cornered a 40 per cent share.

Mehta expects India to close the gap with China, thanks to the initiatives launched by the government for the sector. For instance, the Sagarmala project will provide much-needed connectivity, he says, adding that the states need to be united and work with the central government for the industry to grow. "We must be consistent and grow at the centre and state levels to close the gap with China," he says.

Key Highlights

❶ Deepak C. Mehta has been associated with Deepak Nitrite for the past 45 years

❷ Under his watch, the company has successfully diversified into different business segments, newer geographies and new clients over the years

❸ It boasts of a client base that includes names such as RIL, Unilever, Bayer CropScience, UPL, Lupin, Sun Pharma, Aurobindo Pharma, Goodyear and Indian Oil, among others

Analysts are bullish on Deepak Nitrite. Rohan Gupta, Analyst at Nuvama Institutional Equities, expects the ongoing capex to fuel growth in the near term. In fact, the announcement of an additional ₹1,000-crore capex creates "growth visibility" for it. "The company's aim is to become the largest player in solvents through investing in value-added downstream derivatives of phenol and acetone. Adding new chemistry platforms of photo chlorination and fluorination and backward integration of key inputs will enhance its margins," he writes in a report.

Deepak Nitrite's consolidated Ebitda margin stood at 24.24 per cent in FY22, compared to 10.23 per cent in FY17. Mehta says the growth story of the chemicals sector is just unfolding. And, with Mehta at the helm, Deepak Nitrite is set to ride the crests of this journey. BT

@iamrahuloberoi

The White Knight

Havells India, led by Anil Rai Gupta, is transitioning from a B2B electricals giant to a consumer-centric company by developing Lloyd into a full-range white goods player

By **Arnab Dutta**

SIX YEARS AGO, Havells India acquired the consumer durables business of Lloyd Electric. It marked the entry of the Noida-headquartered electricals major—which earns half of its revenues from cables & wires and switchgear sales—into India's burgeoning ₹1 lakh crore consumer durables market.

Since then, the company's persistent focus on expanding its footprint in the consumer durables business and B2C operations has propelled it to the forefront of India's white goods market. As a result, Havells's portfolio is more evenly distributed between its B2B and B2C operations than earlier. In fact, it's the consumer business—under the Lloyd brand—that is driving Havells India's growth, pulling its revenue up by double digits despite macroeconomic challenges. The brand is expected to report revenues of ₹3,500 crore in FY23, up from average annual sales of ₹2,000 crore a few years ago.

However, this success didn't come easy. Well-articulated planning for brand building and the localisation of its manufacturing played major roles. The data-driven analytical approach and vision for the brand that Anil Rai Gupta, Chairman and MD of Havells India, has for Lloyd were also deciding factors in its recent success, say people aware of the developments.

Gupta, who was instrumental in acquiring Lloyd and restructuring Havells's business, is now focussed on positioning the brand as the leading full-range player in India's white goods market. Along with expanding its portfolio into all four major categories—smart televisions, air conditioners, washing machines and refrigerators—he also wants to position it as a powerful mass premium brand alongside Korean rivals LG and Samsung. "Lloyd has lifted our consumer business over the past few years and there is ample gap in the market for a full-range consumer durables brand," says Gupta, the winner in the Consumer Durables category of the *BT*-PwC India's Best CEOs ranking. The company is also putting a "lot of effort into distribution and manufacturing" now, unlike when the brand was acquired. "Lloyd is distributed through premium retail outlets as a repute brand now," he adds.

His efforts are bearing fruit. Havells India's revenue surged to ₹13,888 crore in FY22 from ₹9,429 crore in FY20—a CAGR of 21.4 per cent, even during the Covid-19 years. In that time frame, Lloyd also saw a 50 per cent increase in sales, from around ₹2,000 crore to over ₹3,000 crore, contributing a higher share to Havells India's revenues.

What was the secret sauce that made Havells successful even during the tough times of the pandemic? Instead of blindly following the prescribed road, Gupta "leveraged his inclination towards data analysis and used those insights during decision-making," says an

Consumer Durables

ANIL RAI GUPTA

CHAIRMAN AND MD, HAVELLS INDIA

Revenue from operations	**FY22**	13,938.48
	9MFY23	12,051.52
Profit before tax	**FY22**	1,606.56
	9MFY23	960.37
Profit after tax	**FY22**	1,196.47
	9MFY23	713.69
	FY22 RoE (%)	21.41
	Market Cap	76,095.87

- Data is on a consolidated basis; all figures in ₹ crore except RoE; 9MFY23: April-December 2022
- M-cap as of April 19, 2023
- Data Source: BSE, ACE Equity

PHOTO BY **HARDIK CHHABRA**

COOL CONDUCTOR Anil Rai Gupta, Chairman and MD, Havells India

Key Highlights

❶ Havells India acquired the consumer durables business of Lloyd Electric in 2017, marking its foray into the segment

❷ Since then, the company has been expanding its footprint in the consumer durables business and B2C operations

❸ Its portfolio is now more evenly distributed between B2B and B2C operations

❹ Gupta is now focussed on positioning Lloyd as the leading full-range player in India's white goods market

industry veteran who has been following the company's progress over the past few years. "Moreover, his clarity of thought for Lloyd, from the beginning, came in handy," the veteran adds.

While the company's fundamental principles have not changed, significant adjustments have been made in recent years, "that have improved its performance", says Gupta. "A lot of investments have gone into digitisation that has improved productivity. While we have previously made investments to improve our manufacturing skills, recently a significant amount of money was spent on developing in-house technology. Today, we have a 650-people R&D team and we design each product that enters the market ourselves," he says.

Havells has made "huge investments in expanding its manufacturing" over the past two years. In FY23, ₹700 crore was spent on capital expenditure; another ₹500-600 crore capex is scheduled for FY24. As most of the company's manufacturing facilities are in north India, Gupta plans to unveil two greenfield facilities in Sri City (Andhra Pradesh) and Tumkur (Karnataka) to bolster the company's footprint in the South. While Havells's newly launched industry 4.0-compliant AC manufacturing facility in Rajasthan can produce 1 million units annually, the Sri City facility will double the number. The Tumkur plant, meanwhile, would expand its capacity for cables & wires. Its Alwar facility already generates revenues of ₹5,000 crore each year. "These will help us grow over the next three years," Gupta explains.

Despite significant expansion in recent times, the challenges remain for Gupta and Havells. For example, profitability remained an issue in FY23 despite solid top line growth from Lloyd. Havells's Ebitda margin also declined 180 basis points year-on-year in the December quarter, as the prices of raw materials remained high, says Anil Radhakrishnan, Research Analyst at Geojit BNP Paribas. But, that's a temporary blip. "Although the impact of inflation may continue to negatively affect its profitability for a few more quarters, signs of improvements are already visible," he says.

According to him, a cut in advertising spends and other cost-efficiency measures adopted by Gupta and his team have lifted Havells's Ebitda margin by 250 basis points sequentially in the December quarter, indicating softening of pressure from rising raw material costs. Additionally, Havells's consistent focus on expanding its footprint in smaller towns and the rural market—a mission that Gupta is passionate about—places it in a favourable position for quicker growth once the macroeconomic environment improves.

Meanwhile, Gupta is certain that he can steer Havells to its next growth cycle. Taking calculated risks in the toughest of times, much like Lord Krishna, whose paintings decorate the walls of his corner office off the Noida Expressway, could well prove to be his success mantra in the years to come. **BT**

@arndutt

A Solid Player

Chairman Sajjan Bhajanka steered Kolkata-headquartered Century Plyboards into a ₹3,000-crore giant through calculated expansions. Next stop: a ₹5,000-crore top line

By **Vidya S.**

▶ **SAJJAN BHAJANKA HAS** the sniffles. Temperature variations from a whirlwind multi-city tour following the launch of their expanded Hoshiarpur factory in early February has given the 71-year-old Chairman of wood panel company Century Plyboards, a cold, a minor inconvenience considering he is racing towards a ₹5,000 crore-revenue target by FY26.

That means nearly doubling the ₹3,000 crore-plus top line Century generated in FY22—that took it nearly 36 years to achieve—within four years. This also translates into a CAGR of 14-15 per cent, that too, without taking any debt and relying entirely on internal cash flows from making and selling doors, plywood, laminates, veneers, MDF (medium-density fibreboard) and particle boards under multiple sub-brands. Not an impossible feat for the debt-free company given its strong balance sheet and diversified portfolio, say analysts tracking the firm.

Consumer Goods
SAJJAN BHAJANKA
CHAIRMAN, CENTURY PLYBOARDS

Revenue from operations	**FY22**	3,027.02
	9MFY23	2,681.11
Profit before tax	**FY22**	468.21
	9MFY23	356.51
Profit after tax	**FY22**	313.16
	9MFY23	269.45
	FY22 RoE (%)	22.18
	Market Cap	11,620.76

- Data is on a consolidated basis; all figures in ₹ crore except RoE; 9MFY23: April-December 2022
- M-cap as of April 19, 2023
- Data Source: BSE, ACE Equity

"All our companies—Century Plyboards, Star Cement, Shyam Century Ferrous—are debt-free. We are a little conservative, because we seldom went out from our prime area of wooden panels and laminates," says Bhajanka, seated across a busy wooden desk in his swanky seventh-floor office in Kolkata's Taratala. Framed by sundry books, figurines and photos, he says in measured tones, "All our promoters are very simple. Their personal requirements are very less." The promoters own 73 per cent of the company—almost the maximum permissible limit.

Growing up in the plywood hub around Assam, getting into the trade himself was but natural for this economics graduate. But his first venture out of college left him penniless within two years, after a fallout with his cousins. "I started with minus ₹5,000," he says, his otherwise solemn face breaking into a smile. Several smaller plywood and veneer ventures and nearly 10 years later, a mutual acquaintance led him to meet current MD & CEO Sanjay Agarwal, who was setting up a panel door factory in 1986. "When I saw the plot and the factory, it was like love at first sight," says Bhajanka. The two eventually built their venture up into what is today Century Plyboards.

Now, it is the largest plywood player in India, with a 25 per cent share in the organised market; it is among the Top 2 players in the laminate category; and among the Top 3 in the MDF category. An ICICI Securities report from March 2023 says that Century is expected to witness revenue and profit after tax (PAT) CAGR of 16.5 per cent and 16.1 per cent, respectively, between FY22 and FY25E, supported by a strong balance sheet and impressive return ratios. "With its comprehensive product portfolio, strong brand and wide distribution reach, the company is well placed to capitalise on the demand pick-up in the housing sector," the report states. Riding on these strengths, Bhajanka has emerged the winner in the Consumer Goods category of the *BT*-PwC India's Best CEOs ranking.

Not a big believer of killing the competition through irrational growth strategies, Bhajanka opted for gradual expansion suited to his selling capacity. Currently, the company's nine domestic factories are located across West Bengal, Tamil Nadu, Haryana, Assam, Gujarat,

PHOTO BY **DEBAJYOTI CHAKRABORTY**

EYES ON THE PRIZE Sajjan Bhajanka, Chairman, Century Plyboards

Key Highlights

❶ Sajjan Bhajanka aims to nearly double the ₹3,000 crore-plus top line Century Plyboards generated in FY22 by FY26

❷ He has created a market leader by focussing on category-defining innovations

❸ The company is the largest plywood player in India, with a 25 per cent share in the organised market; and it is among the Top 2 in the laminate category; and among the Top 3 in the MDF category

Uttarakhand and Punjab. In fact, until the mid-1990s, Century allowed competitors to visit its factories and understand its secret sauce of R&D and innovation. For instance, when it successfully implemented thermal fluid heating of plyboards to drive up productivity, executives from competitors such as Kitply Industries made trips to its factories. "After that, people who came to our factories started poaching our people by giving their cards on the factory floor. Seeing that, we stopped," says Bhajanka.

Incidentally, Century has always been ahead of the market in positioning itself as *the* destination of category-creating innovation. "It hit pay dirt even during the pandemic by creating a new segment of ViroKill ahead of competition. Others were followers," says an analyst tracking the firm, requesting anonymity.

Essentially, the virus-resistant chemical made of silver, Bhajanka says, was first introduced in laminates because they were used in hospitals. "When there was the Covid-19 virus all around, our internal team decided to try it on plywood." Despite the costly price tag of the chemical, Bhajanka says, they did not hike prices. "But we more than made up through higher sales."

In 2020, it brought in management consulting firm BCG to improve cost efficiencies, something analysts say was not usual in the industry. "There is always scope for improvement. None of our existing promoters are foreign-educated. We all are simple graduates. Whatever we could learn, we have implemented," Bhajanka says, adding that it has helped them.

"Now also, a lot of expenses are going on," he says. The firm's FY22 annual report pegs ₹980 crore in capex between FY23 and FY25, of which ₹640 crore is marked for MDF manufacture. The report has him saying that the company has embarked on a series of concurrent, rather than sequential, expansions across factories to reach its ambitious top line goal. But he isn't too keen to take on any term loan for this, he says. The plan is to open a line-of-credit for three years. "Even that we will repay through self-generation," he adds, confidently.

Bhajanka will be at the helm of affairs at least till FY26, by when he expects to achieve ₹5,000 crore in revenues. Eventually, his son Keshav and Agarwal's daughter Nikita Bansal—who are Executive Directors currently—will replace them. "[My three] other daughters will not enter the business. They will get equity," he adds.

By the end of our hour-long conversation, Bhajanka's phone has rung several times, making him restless to leave for his meetings. Packed days are common and time management is key. "I hardly sign any cheques for Century Plyboards," he says, as all his executives have financial powers. He only makes an exception for the several social organisations he is associated with. "In my early 50s, I decided not to defer social work to later in life. So, 30 per cent of my time is for social welfare and 70 per cent is for work." What about personal time, I ask. And he says with a chuckle, "Evenings are free," adding that he manages to pack in a round of rummy with his wife, chess with his six-year-old granddaughter and TV time on most days, with two family vacations a year.

As he gets ready to leave, he says: "Only three minutes left for the photo shoot." And he is gone in a blink. After all, the 15 per cent CAGR target beckons. **BT**

@SaysVidya

RED HOT CHAMP

Having grown RHI Magnesita India's share to 30 per cent in the country's refractory market, its leader Parmod Sagar is now focussed on building synergies with the acquired firms

By **Sohini Mitter**

METAMORPHOSED MAN Parmod Sagar, MD and CEO, RHI Magnesita India

▶ **PARMOD SAGAR, MD** & CEO of RHI Magnesita India, has had a busy quarter. We catch him shortly after the completion of RHIM's two acquisitions and just a day after it reported its December quarter results. Sagar, 55, has been at the helm of affairs at the Gurugram-based manufacturer and supplier of refractory products—used in steel, cement, non-ferrous metals, and glass industries—since 2013. Now, it wants to expand further.

RHIM India—born out of the integration of three Indian subsidiaries, RHI Clasil, RHI India and Orient Refractories, of Austria-based RHI Magnesita Group—had announced the acquisition of Dalmia-OCL and Hi-Tech Chemicals in the December quarter, for which it shelled out ₹1,708 crore and ₹621 crore, respectively. "These acquisitions will help us serve our customers globally, as well as make India a hub to serve other regions," says Sagar, adding that the challenge now will be to integrate the three companies, build a one-team culture and drive synergies in the nine manufacturing plants, from three earlier. "But, we are excited," he says.

The two acquisitions have tripled RHIM India's capacity to 500,000 tonnes, and upped its share in the domestic refractory market to 30 per cent. Dalmia-OCL, particularly, allows the company to make strong inroads into the non-steel industrial segment. "Earlier, our ratio was 80 per cent steel and 20 per cent industrial (cement, glass, non-ferrous). Now, it is 72 per cent steel and 28 per cent industrial. This gives us a lot of leverage," says Sagar, who is the winner in the Industrials category of the *BT*-PwC India's Best CEOs ranking this year.

Even though Dalmia-OCL's ₹443-crore debt now reflects on RHIM's books (taking its total debt to ₹1,070 crore), Sagar is bullish about the long-term prospects of the company. "The DOCL acquisition gives us an entry into the western and southern parts of the country, where RHIM had no prior presence," the company's management had said in its Q3 analyst call some weeks ago.

Although RHIM's margins came under pressure in

Key Highlights

1. Sagar's two recent acquisitions have tripled RHIM's capacity to 500,000 tonnes
2. Its share in the domestic refractory market too has risen to 30 per cent
3. Backed by its recent acquisitions, Sagar is bullish about the long-term prospects of RHIM

PHOTO BY **RAJWANT RAWAT**

Industrials

PARMOD SAGAR

MD AND CEO, RHI MAGNESITA INDIA

Revenue from operations	**FY22**	1,995.14
	9MFY23	1,847.25
Profit before tax	**FY22**	357.48
	9MFY23	286.95
Profit after tax	**FY22**	269
	9MFY23	213.25
	FY22 RoE (%)	29.39
	Market Cap	13,058.92

● Data is on a consolidated basis; all figures in ₹ crore except RoE; 9MFY23: April-December 2022

● M-cap as of April 19, 2023

● Data Source: BSE, ACE Equity

Q3FY23 and net profit slumped 23 per cent, its operational revenues have remained strong. Sagar is of the view that the consolidated PAT dropped mainly due to the depreciation of the rupee, resulting in a forex loss of 11 per cent compared to the September quarter (Q2FY23). "We also intentionally built up inventory post-Covid-19. The high-value inventory will start tapering off in this quarter, and we will be in a better position from FY24," he says.

Given the logistical uncertainties around Covid-19, resulting in sky-high freight rates and unavailability of containers at major ports around the world, RHIM had been stocking up inventory over the past two years. "It was a conscious decision... in spite of it having a negative impact on our working capital," says Sagar. "But it is because of our strengths that we could... serve all our customers 24x7." So, has the refractory business recovered now? "Shipments and supply chains are much better. But it has not gone back to the pre-Covid-19 era yet," he says.

For the nine-month period ended December 2022, RHIM's gross sales stood at ₹1,847.3 crore, while net profits were ₹213.3 crore. In the Q3 analyst call, the company's leadership had said that demand from domestic firms look strong and it is expected to reach 1.6 million tonnes in FY24.

While all this augurs well for RHIM, it is likely to face some short-term headwinds when it comes to exports, due to the ongoing geopolitical issues and energy crisis in Europe. But the favourable domestic climate could offset weaknesses in other markets, say analysts.

"RHIM has the best business among listed players due to its comprehensive product portfolio, strategy to expand domestic market share and also leverage its manufacturing and R&D expertise to drive new product development," says Sahil Sanghvi, Equity Research Analyst at Monarch Networth Capital. "Its presence in both mini mills and large integrated steel plants will only grow larger in its pursuit of more contracts," he adds.

Sagar, who also leads RHIM's West Asia and Africa businesses, speaks not only about expanding the company's geographical footprint (beyond 75 countries) but also "growing with the organisation" himself. "I was not appointed CEO from outside. I know the business inside and out. As a leader, one has to be impartial and patient... Only then can you build a culture of delegation and empowerment," he says. His colleagues attest to this philosophy. Jyotirmay Bhattacharjee, Sales Director and one of Sagar's direct reportees, says, "If I had to sum him up in one word, it would be 'transparent'. Even if he has a difference of opinion with you, he would never sugarcoat his words. And if you manage to convince him of something, you wouldn't find a better candidate to present your ideas." Bhattacharjee adds that the latter has transformed himself. "I'd say he has... metamorphosed."

Ask Sagar about his leadership mantra, and he mentions RHIM's Global CEO Stefan Borgas. "He's a fantastic leader. I admire him," says Sagar. "If you are a true leader, it should be visible in your actions."

And now, the RHIM boss is looking to chase the next target, that is, reducing the company's carbon footprint. By 2025, the company plans to spend €50 million globally to reduce its CO_2 emissions by 15 per cent. "It is a long and expensive journey. But we are working on green refractories and a circular economy," says Sagar.

His other goal, he says, is to correct the gender imbalance in his organisation. Nearly two and a half years ago, RHIM had only 3 per cent women employees. Now, it's at 7 per cent. "Our target is to reach 15 per cent by 2025," says Sagar, adding, "My instruction to every team is, if we are hiring two people, one should be a woman." **BT**

@mittermaniac

❹ Sagar says that as a leader, one has to be impartial and patient

❺ He believes that for leaders, their qualities should be visible in their actions

TURNING **THINGS** AROUND

After successfully steering the FMCG major through the Maggi crisis, Narayanan has put Nestlé onto a steady new growth path in the past few years

By **Arnab Dutta**

FOSTERING TALENT Suresh Narayanan, Chairman and MD, Nestlé India

▶ **WHEN SURESH NARAYANAN** presented Nestlé India's performance for the quarter ended December at a recent post-earnings call, he began his speech by highlighting the company's success in spite of a challenging business environment. With inflation running high and demand faltering, at least in the hinterlands, fast moving consumer goods companies like Nestlé were being tested to the hilt. That however has failed to dent his resolve of emerging stronger—a habit he has cultivated over his three-decade-old journey in the corporate world.

In fact, if one were to describe Nestlé India's performance under his stewardship as Chairman and MD over the past seven years, there probably isn't a better phrase than the title of his speech—"Consistency in the face of a storm". Once nearly decimated by the ban on Maggi noodles, Nestlé India under the leadership of Narayanan—the winner in the FMCG category of the *BT*-PwC India's Best CEOs ranking—has since emerged stronger than ever despite the odds. Having then served the Swiss giant for 17 years in various roles across regions, Narayanan was flown back to India in mid-2015 to lead the firefighting exercise that the FMCG major needed at the time.

As Nestlé found itself in the middle of its gravest challenge involving its biggest brand in India, he was brought in with a simple mandate: put the company back on track. Although, India was not new for him—he had worked in the market for nearly two decades before being assigned to manage Nestlé's operations in Egypt and the Philippines—he knew his return would not be a cakewalk. "I was coming back bang in the middle of a crisis. My first reaction was, why me? To be honest, I didn't even know the extent of the problem or the full dimension of the damage at that time. But it was also a testimony of the trust the company had in me," he later recalled.

Born in Bengaluru, Narayanan studied economics at the Delhi School of Economics with an eye on joining the

Key Highlights

❶ Narayanan is now busy preparing Nestlé for the future, amid headwinds

❷ Strengthening its foundation with a larger consumer base and tech-savvy talent pool is his latest challenge

❸ Nestlé India has grown its top line by 11 per cent CAGR since 2020, despite challenges

PHOTO BY **RAJWANT RAWAT**

FMCG

SURESH NARAYANAN

CHAIRMAN AND MD, NESTLÉ INDIA

Revenue from operations	**CY21**	14,740.59
	CY22	16,896.96
Profit before tax	**CY21**	2,857.32
	CY22	3,255.97
Profit after tax	**CY21**	2,118.41
	CY22	2,390.52
	RoE (%)	108.52
	Market Cap	1,98,660.73

- Standalone results; all figures in ₹ crore except RoE
- M-cap as of April 19, 2023; RoE for CY22
- Nestlé follows a January to December financial year
- Data Source: BSE, ACE Equity

Indian Administrative Service. His career, however, took a turn when Hindustan Lever (now Hindustan Unilever or HUL) visited his campus to hire people and he was one of those selected. Rising through the ranks, Narayanan was heading HUL's beverages division in India when he was hired as Country MD for Nestlé's Singapore operations, after a year's stint at Colgate-Palmolive in India. People who have worked with him give equal credit to his overseas stints under some very grueling circumstances—like leading Nestlé's operations in Egypt during the Arab Spring protests in 2010—for his success in India.

Even though Nestlé India has come a long way from the Maggi situation, Narayanan's expertise in crisis management comes in handy often. And as the business environment continues to remain challenging, Narayanan's decision-making process relies heavily on real-time data and analytics, but his "accumulated wisdom, having dealt with such situations in the past" remains a key element in pushing Nestlé to new peaks. But like a responsible leader, he likes to put his accountability ahead of everyone else's. "If the decision is right, the credit goes to the team; if the decision is wrong, I am responsible as the leader," says Narayanan, chuckling.

According to him, a lot has changed since he took charge in August 2015. "Over the years, we have delivered penetration and volume growth that was industry leading for most of this period. Secondly, our portfolio is stronger than ever and Nestlé leads in multiple categories that it is present in. And third, the pace of innovation is fairly active," he says. But what keeps him on his toes is an uncertain future that is turning more challenging as the days go by. "I am past the stage where I can acquire, but I am at a stage of giving back, by developing talent. The environment in the future is going to be far more challenging than what I faced," Narayanan explains.

After placing Nestlé on a steady growth path, preparing the company for the future is what Narayanan is focussing on. To strengthen the company's foundation, he has shifted its focus towards the rural market. For a traditionally urban-centric company targeting middle- to high-income households with its premium offerings, Nestlé India is now aiming to increase its reach to around 120,000 villages (with a population of over 2,000 people). In fact, from 40,739 in 2020, Nestlé has grown to cover 91,683 villages by 2022-end. According to Abneesh Roy, Executive Director at Nuvama Institutional Equities, Nestlé has managed to "strengthen its rurban (rural plus urban) approach by sharpening its geographic focus by increasing distribution points, and going deeper into smaller towns and cities".

Additionally, to make its decision-making process more robust and agile, Nestlé has roped in younger talent who are more tech-savvy than most of its long-serving lieutenants. "Nestlé is growing younger by average age and they are all digital natives and not immigrants like me," says Narayanan. Measures taken over the past few years have already begun to yield results. New product launches since he took charge now account for 5.4 per cent of Nestlé's sales. During the Covid-19 period, its net sales grew by 11 per cent CAGR to ₹16,790 crore. And, in spite of the steep inflation in commodity prices, its net profit rose by 6.7 per cent CAGR to ₹2,305 crore in CY22. Nestlé' follows a January-December financial year.

Meanwhile Narayanan, an avid reader and a passionate tennis player, values happiness over the success he has achieved. "Success is ephemeral. God has been kind to me and what I seek is a happy life rather than too much success," he says, bowing his head in humility. **BT**

@arndutt

❹ Its diversified portfolio is now yielding results, with 5.4 per cent of sales coming from new launches

❺ Narayanan's ability to emerge stronger after a crisis continues to drive Nestlé India's journey

Advocate of **Unity**

CEO Sandeep Kalra aims to turn Persistent Systems into a $2-billion IT services firm in the next four years by bringing people together

By **Binu Paul**

▶ **WHEN SANDEEP KALRA** was elevated as CEO and Executive Director of Persistent Systems in October 2020, he knew that he was taking command of the IT services firm at a pivotal time. The challenge before him was to harness the momentum built by the Founder, Anand Deshpande, a renowned tech leader, while also reigniting growth at the firm. Kalra had joined Persistent in May 2019 as President of the technology services unit from HARMAN International, a Samsung company.

To his credit, Kalra took on the challenge with gusto—breathing new life into the three-decade-old company and propelling it to new heights. And he says his management mantra, of bringing people together and inspiring them to rally around a common goal, has helped him deliver the required results.

For instance, one of the key goals he had set (in Q3FY22) was to get to $1 billion in annual revenues in six to eight quarters. And, the company is now well positioned to reach that mark in the March quarter of FY23, in just five quarters. "Unless there is a common goal, we aren't going to reach anywhere. Even as we redefined strategies and introduced various new initiatives, we also brought people together and asked ourselves, 'How can we come together and deliver something that we can all be proud of? That's where we put a rallying cry, reaching a $1-billion (revenue) mark," says Kalra, the winner in the IT & ITeS category of the *BT*-PwC India's Best CEOs ranking this year.

"When we declare our results in late April, we should have crossed the $1-billion mark comfortably. From a run-rate perspective, we crossed the billion-dollar mark last quarter (Q2FY23). That has been a good milestone and a very proud moment for us as a team," he says proudly.

He says it is important to go down to the grassroots level and engage with the employee base to make the employee value proposition stronger. "It is about listening to your people," he says. "Employees ask—when we were doing well and creating shareholder value, what is in it for us? How do we grow? That is the genesis of the 80 per cent employee stock ownership plan (Esop)."

Persistent, in October 2021, extended its Esops to cover about 80 per cent of its employees. "So it's about making sure that on one side you're driving the team hard and on the other side, you're leading from the front, taking care of them in genuine ways. That, in my mind, is a very big differentiator. Nobody in our industry, even across multiple industries, has such a rich coverage of employees in the stock option plan," says Kalra.

After taking charge, Kalra concentrated on refining Persistent's strategy, filling the gaps in the team and establishing and measuring key performance indicators. He reinforced the company's network of partners and rebranded it as a more digitally-focussed brand to attract top talent and better position itself in the market. Persistent also committed roughly $240 million to seven acquisitions over the past eight-nine quarters.

"We have focussed on tuck-in acquisitions that are more capability-led. We have narrowed down our bets

IT & ITeS

SANDEEP KALRA

CEO AND EXECUTIVE DIRECTOR, PERSISTENT SYSTEMS

Revenue from operations	**FY22**	5,710.74
	9MFY23	6,096.12
Profit before tax	**FY22**	924.27
	9MFY23	900.26
Profit after tax	**FY22**	690.38
	9MFY23	669.58
	FY22 RoE (%)	23
	Market Cap	33,221.98

- Data is on a consolidated basis; all figures in ₹ crore except RoE; 9MFY23: April-December 2022
- M-cap as of April 19, 2023
- Data Source: BSE, ACE Equity

TARGET ORIENTED Sandeep Kalra, CEO and Executive Director, Persistent Systems

Key Highlights

❶ Sandeep Kalra was elevated as CEO of Persistent Systems in October 2020

❷ He has refined the company's strategy, filled the gaps in the team and initiated a process of measuring key performance indicators

❸ His management mantra, he says, is of bringing people together and inspiring them to rally around a common goal

❹ Under his stewardship, Persistent is set to become a $1-billion firm in Q4FY23

around cloud, cybersecurity, data, and AI, and proactively went after the right-sized companies with the right capabilities. Our acquisitions have helped us mine a large customer base. Nine quarters ago, we had 17 big customers—with annual revenues of $5 million or more. Today, that number has increased to 34. These acquisitions are enabling us to offer additional services to the same customers," he adds.

The third quarter of FY23 marked a record-breaking achievement for the company as evidenced by the exceptional total contract value of $440 million and an annual contract value of $326 million, surpassing all previous figures.

"Persistent's earnings estimates have been going higher and their deal bookings continue to improve. They have verticalised their offerings and made many changes and investments in sales and marketing. They have been able to sell multiple service lines to customers and that is getting reflected in their $5 million-plus client count, which has pretty much doubled over the past couple of years. All of this is achieved by improving the margin trajectory over the past few years," says Apurva Prasad, Institutional Research Analyst at HDFC Securities.

The brokerage firm, in its February report, said the company is well positioned to double its revenues over the next four years, with earnings expected to accelerate even faster (24 per cent EPS CAGR over FY23-25E) as margins expand. Persistent's growth trajectory will be supported by strong order bookings and a steady ramp-up of large deals, improved client mining supported by partnerships, mitigated client concentration and European geopolitical risk (Europe accelerator in the medium term) and stability in top 2 clients, the report said.

The pandemic brought about both opportunities and challenges for the company, with remote work becoming the norm and business growing, but attrition rates also peaked. To maintain cost stability, the company, under Kalra, focussed on campus recruitment, hiring over 3,000 freshers and investing in learning and development initiatives. Fresh hires were then given six to nine months of rigorous training, including internships during their college years. As of December 2022, the company employs over 22,500 individuals, with 2,177 in the US, 377 in Europe, and 19,862 in India, while the rest are located across other parts of the world.

Kalra says the company is seeing bright spots in enterprise software as well as on the digital transformation side. "We aim to be a $2-billion company in the next four years. That in itself is a fairly good CAGR, which would be healthily ahead of what we believe the industry will do. Our commitment to ourselves and our stakeholders is that we'll grow faster than the industry, we will do that by bringing our people together, celebrating success and failures alike," he says. BT

@binu_t_paul

The Green **Warrior**

A people person, GAIL (India)'s Sandeep Kumar Gupta is committed to ensuring that the country's largest gas distributor plays a leadership role in India's energy transition

By **Manish Pant**

▶ **THE MORNING SPRING** breeze has a strong hint of the onset of early summer. A large number of beaming employees with boxes of sweets and chocolates are gathered outside the office of GAIL (India) Ltd's Chairman & MD Sandeep Kumar Gupta to express their gratitude for their promotions. And Gupta, 58, greets each one of them with his trademark good-natured smile, wishing them the very best for their future.

The future is very much on GAIL's mind. As India's hunger for energy grows with each passing year, GAIL is preparing to play a pivotal role in the world's largest energy transition to cleaner sources. Spearheading this will be Gupta, who has been in the petrochemicals industry for 35 years. The veteran—who started his career with the public sector Indian Oil Corporation Ltd (IOCL) in 1988—seems to have settled well into his new role. "Although he is not from GAIL, he gets along well with everyone here," says a senior company executive, requesting anonymity. In comparison to IOCL (that has over 33,000 employees), GAIL (with 4,800 employees) is much smaller and, thus, functions like a well-knit family, with a strong sense of bonding among staff. A people person, Gupta, who took charge in 2022, says, "All my life I have tried learning something good from everyone that I have met."

A chartered accountant by training, he believes that his background in finance has always kept him well-prepared for the volatility that characterises the global petrochemicals industry. "I once heard a consultant opine that a finance person was like a wicketkeeper who can see the direction of each ball coming their way. We can perhaps see the direction of the changes that happen, to gauge the company's position, to both tackle challenges and exploit emerging opportunities," he says with a disarming smile.

Having completed his schooling from Kendriya Vidyalaya in Bokaro Steel City, where his father was posted with SAIL, he then attended Kanpur University's Christ Church College. He describes his student years as "very normal" and claims his job at IOCL was the experience that prepared him for the future. "At the time of joining IOCL, I didn't know much about the company or the industry. All I knew was that it was a big company because I had grown up seeing their petrol pumps all over the country," he says with a chuckle.

According to Harshavardhan Dole, Energy Analyst at IIFL Securities, Gupta knows the sector inside out since he has spent considerable time with one of India's largest oil companies. "Like, how the system works and what the consumers, shareholders and other stakeholders want. Therefore, he is one of the most suitable candidates to lead India's largest gas utility at a time the energy transition has only accelerated," he says.

Before taking charge at the country's largest gas distributor, Gupta demonstrated his leadership skills as Director of Finance at IOCL, where he successfully handled several new responsibilities in the areas of international trade, asset optimisation, information systems,

Oil & Gas

SANDEEP KUMAR GUPTA

CHAIRMAN AND MD, GAIL (INDIA)

Revenue from operations	**FY22**	92,873.82
	9MFY23	1,12,610.97
Profit before tax	**FY22**	15,463.52
	9MFY23	6,567.48
Profit after tax	**FY22**	12,303.63
	9MFY22	4,953.15
	FY22 RoE (%)	20.98
	Market Cap	71,142.58

- Data is on a consolidated basis; all figures in ₹ crore except RoE; 9MFY23: April-December 2022
- M-cap as of April 19, 2023
- Data Source: BSE, ACE Equity

PHOTO BY **HARDIK CHHABRA**

POSITIVE ENERGY Sandeep Kumar Gupta, Chairman and MD, GAIL (India)

Key Highlights

❶ Sandeep Kumar Gupta has over 35 years of experience in the petrochemicals industry

❷ He started his career with the public sector behemoth IOCL in 1988

❸ Gupta had demonstrated his leadership skills as Director of Finance at IOCL before taking charge of GAIL (India)

❹ GAIL (India) intends to invest ₹30,000 crore in petrochemicals and clean energy by 2025

corporate affairs, legal and pricing during the Covid-19 pandemic. These accomplishments also led him to be honoured by the Institute of Chartered Accountants of India (ICAI) in 2020.

But new challenges are also on the horizon as demand picks up in the post-pandemic period. "When I joined GAIL last year, gas prices had reached unprecedented levels due to the [Russia]-Ukraine crisis. Because of that, there was a breach of the international [gas supply] contract for about 20 per cent of our entire portfolio."

Just a couple of days earlier, GAIL had shut down production at its Pata (Uttar Pradesh) petrochemicals plant due to costlier gas. "We decided as a team that it would not be wise to keep the vertical shut for a long period because of integrity issues and the impact on the gas supply ecosystem. Within a month, we started the plant again, which is now running at 100 per cent capacity," he adds.

He is also cognisant of the responsibility of ensuring that GAIL remains aligned with the government's vision of increasing the share of natural gas in the country's energy mix to 15 per cent from the current 6.3 per cent by 2030. "On top of the 14,800 km pipeline already with GAIL, an additional 5,000 km of pipelines are being built. And that will give a huge fillip to the country's total natural gas network," says Gupta. Additionally, his team has renewed efforts to restart gas supplies under long-term futures contracts inked with Russia, while also scouting for potential partnerships with other gas-producing nations.

"The key challenges before him are to ensure that GAIL's core gas marketing business keeps on growing steadily and that the company doesn't miss out on any opportunities in emerging alternative energy technologies. Since he is a very good leader, expectations from him are fairly high," says IIFL's Dole.

The company also intends to invest ₹30,000 crore in petrochemicals and clean energy by 2025. So far, it has signed 274 letters of intent to deliver compressed biogas. "We are putting up a 500-kilo tonnes per annum (KTA) propane dehydrogenation and polypropylene plant at Usar, Maharashtra, and a 60 KTA polypropylene plant in Pata," says Gupta, the winner in the Oil & Gas category of the *BT*-PwC India's Best CEOs ranking. Another project for the production of 50 KTA isopropyl alcohol has been approved for Usar as part of its foray into specialty chemicals. "We are also spending heavily on renewable energy through investments into wind and solar projects and also towards green hydrogen projects. We will be installing a 10-MW electrolyser at Vijaipur (Madhya Pradesh), which will be commissioned this year."

He has some words of wisdom for youngsters who desire to make a career in the country's energy sector during this momentous period. "Anyone joining India's energy sector is in for an exciting time. They are going to get umpteen opportunities for both personal development and the development of their organisation." It will, therefore, be necessary for them to keep abreast of global developments, innovate and add value to whatever they do, he suggests. BT

@manishpant22

LEADING WITH HEART

Aiming to touch a billion lives, Suneeta Reddy is focussed on investing and expanding Apollo Hospitals' footprint across the group's many verticals

By **Neetu Chandra Sharma**

ADVOCATING CARE Suneeta Reddy, MD, Apollo Hospitals Enterprise

▶ **A WOMAN OF** habit, Suneeta Reddy, MD of Apollo Hospitals Enterprise, has been striving hard since she joined the business in 1989 to keep it at the forefront of healthcare services in the country. Under her leadership, Apollo—which started as a single hospital in Chennai in 1983—has now mushroomed into one of the biggest healthcare businesses in India. Today, it offers a wide range of healthcare services through its chain of 71 hospitals, over 5,400 pharmacies and 250 primary healthcare centres spread across India. And even as it faces stiff competition from several quarters across its verticals, its growth momentum has continued under Reddy's care.

As one of a handful of businesswomen in the Indian healthcare industry, Reddy is credited with bringing the first foreign direct investment into healthcare in 1995, and subsequently taking the organisation to the international equity markets through the successful placement of a global depository receipt in 2005.

With her focus on growth and profitability, Apollo's consolidated revenues and net profit have grown at annualised rates of 15 per cent and 37 per cent, respectively, in the past five years. "I think we have been fortunate to have executed many decisions at the right time and place, and this has come from understanding the pulse of the organisation and the ecosystems around it," says Reddy.

For her, the most important thing has been her sharp focus on execution and raising the bar on clinical outcomes. "We have driven better asset utilisation and focussed on consumer experience... We take this responsibility very seriously and we have made clinical and technology investments that support this," she says. Reddy, who manages the business along with her sisters Preetha Reddy, Shobana Kamineni and Sangita Reddy, expects to realise the full potential of Apollo's verticals by synergising clinical care and service delivery across hospitals, retail clinics and digital infrastructure to ensure that their patients get a holistic experience.

But planning for the future can prove to be futile if done without learnings from the past. And that adage stands very true for healthcare businesses in light of the

Key Highlights

❶ Reddy was instrumental in bringing the first FDI into healthcare in India in 1995

❷ Her leadership has evolved Apollo into an integrated healthcare chain with several services across India

❸ Reddy is spearheading efforts to transform it into a digitally-enabled organisation

PHOTO BY **SUMANTH KUMAR AR**

Pharma & Healthcare

SUNEETA REDDY

MD, APOLLO HOSPITALS ENTERPRISE

Revenue from operations	**FY22**	14,662.64
	9MFY23	12,310.25
Profit before tax	**FY22**	1,585.38
	9MFY23	847.17
Profit after tax	**FY22**	1,108.36
	9MFY23	698.93
	FY22 RoE (%)	21.60
	Market Cap	62,163.14

- Data is on a consolidated basis; all figures in ₹ crore except RoE; 9MFY23: April-December 2022
- M-cap as of April 19, 2023
- Data Source: BSE, ACE Equity

challenges faced by them during the Covid-19 pandemic. And there were many challenges—from maintaining cash flows to dealing with rising Covid-19 patients and the evolving policies for the private sector operators, amidst the crisis. Apollo, too, had its fair share of learnings under Reddy. "The Covid-19 period was critical for us as an organisation. It was a litmus test of the patients' trust we had built over the past decades. We needed to ensure continued clinical excellence and be at the frontline of the pandemic," she says, adding that it gave them time to reset, rethink and re-imagine the Apollo experience for the coming years. Having handled the pressures of the pandemic with aplomb, Reddy says that the strategy cannot be separate from the organisation and its ways of working. "Keeping one's eyes open and ears to the ground are critical to keeping the strategy alive and agile," she says.

A focus on these aspects resulted in consolidated revenues of ₹14,662.6 crore in FY22—a growth of 39 per cent over FY21. And net profit grew 602 per cent to ₹1,055 crore in FY22 from a year ago. Riding on this growth, Reddy—who has emerged as the winner in the Pharma & Healthcare category of the *BT*-PwC India's Best CEOs ranking this year—is spearheading efforts to transform Apollo into a digitally enabled firm. For instance, under her leadership, Apollo doctors use AI and ML algorithms to make point-of-care decisions to address clinical complexities.

And its initiatives in using new-age tech have not gone unnoticed, with brokerage firm ICICI Securities stating in a report released in February that the company's continued focus on investing and expanding its digital network for pharmacies, doctor consultations, clinics and diagnostics, remains positive in the long-term. "She [Reddy] has been instrumental in building a strong hospital franchise and steering the group to unlock growth. This has created comprehensive offerings and enabled better patient engagement, resulting in significant value-creation for the shareholders," says Tushar Manudhane, Research Analyst at Motilal Oswal Financial Services.

Following the experience of the pandemic, Reddy has been focussing on opening up as many services as possible, and increasing occupancy and asset utiliation across the group's businesses. She says that she has been able to execute the company's long-term strategies predicated on the goal of maintaining market leadership. "We have made sure that we have the assets in place to ensure this; not just in terms of physical, but clinical and technological assets as well, which will help us achieve outstanding clinical outcomes," she says.

But leading a profitable healthcare company is just one of the hats Reddy wears. Fondly spoken of as a 'leader with a heart', her colleagues say that it is fulfilling to work with her. "She is the biggest patient advocate I have known, and this dominates her style of leadership and decision making. I have personally learnt a lot from her, particularly in terms of being patient-centric and operating a large enterprise that is always in growth mode," says Dr K. Hari Prasad, President of Hospitals Division at the firm.

When asked about the prospects of the company in the next 10-15 years, Reddy says that the pace of change in the sector is so rapid that one cannot foretell what's coming. But, she says, keeping her patients and their purpose at the core of her decisions ensures that they don't lose direction. "In the coming few years, we are taking service delivery closer to the consumers to provide quality healthcare seamlessly across physical and digital formats," she says, adding that they measure success by the number of lives touched, and not just by financial metrics.

As Apollo moves ahead, Reddy says that its purpose driven approach and guiding principle of ensuring quality healthcare will help it touch a billion lives. **BT**

@neetu_csharma

❹ Reddy is focussed on opening services and improving occupancy and asset utilisation

❺ She says keeping her patients and their purpose at the core ensures that Apollo doesn't lose direction

The Power Man

Praveer Sinha has overhauled and charged up the 108-year-old Tata Power to make it future-ready. Here is how the electrical engineer did it

By **Manish Pant**

▶ **WHEN ON MARCH 30** this year the board of Tata Power extended the term of CEO & MD Praveer Sinha for another four years till April 2027, it didn't surprise many. For under the 60-year-old Sinha's stewardship, Tata Power has gradually transformed into a new-age, sustainable, technology-oriented and customer-centric green energy solutions company. So, how did he do it? Let us find out.

To understand Sinha's impact, let us look at a few numbers. When he took charge in May 2018, Tata Power's market capitalisation was at ₹23,843 crore. Nearly five years later, and the figure has grown to ₹61,813.84 crore as of April 19 this year—an increase of 159 per cent! Its consolidated total income for 2017-18 was ₹29,763.91 crore; for the nine months ended December 31, 2022, the figure was already at ₹43,221.80 crore. For FY18, Ebitda was at ₹6,296 crore; at the end of December 2022, this number stood at ₹6,968 crore. With such a track record backing him, Sinha has emerged as the winner in the Power category of the *BT*-PwC India's Best CEOs ranking.

But, let us talk about some other milestones. In April 2022, a BlackRock Real Assets-led consortium, including the UAE's sovereign wealth fund Mubadala Investment Co., announced a ₹4,000-crore investment in Tata Power Renewables. "That was one of the biggest value unlockings in the renewables business globally. The transaction will serve as a stepping stone to the future," says Rohit Natarajan, Vice President at Antique Stock Broking. In the recent past, the 108-year-old Tata Power has formed joint ventures and taken over power distribution through the public-private partnership (PPP) mode in Odisha. Besides, it has also created a strong presence in non-regulated businesses such as rooftop solar, home automation, solar pumps and EV charging.

Besides making all the right moves, Sinha—an electrical engineering graduate who has also done a masters in business law—is also quite academically inclined. He received his doctorate from the Indian Institute of Technology Delhi and is a visiting research associate at the Massachusetts Institute of Technology. Prior to helming Tata Power, he was CEO & Managing Director at Tata Power Delhi Distribution Ltd, a Delhi government and Tata Power JV. "I had prepared a presentation after doing a lot of homework in terms of what was needed at the company [Tata Power]. I have delivered on most of the items on my agenda," he says with a smile during an interaction at the company's headquarters on a balmy Mumbai afternoon. To date, he keeps a copy of the presentation as a constant reminder.

At that time, Tata Power was an overly leveraged power utility with very high debt to equity and high debt to Ebitda ratios. "It was, therefore, very important that before we got ready for the next stage of growth, [we had] to get the right matrix and the right amount of money to support our growth plans. The first thing we wanted to do was how to deleverage our balance sheet." The company decided to divest its assets that were outside the country and utilise the funds raised through

Power
PRAVEER SINHA
CEO AND MD, TATA POWER

Revenue from operations	**FY22**	42,815.67
	9MFY23	42,655.32
Profit before tax	**FY22**	3,003
	9MFY23	4,298.93
Profit after tax	**FY22**	2,155.61
	9MFY23	2,870.86
	FY22 RoE (%)	12.13
	Market Cap	61,813.84

● Data is on a consolidated basis; all figures in ₹ crore except RoE; 9MFY23: April-December 2022
● M-cap as of April 19, 2023
● Data Source: BSE, ACE Equity

PHOTO BY **MANDAR DEODHAR**

ALL CHARGED UP Praveer Sinha, CEO and Managing Director, Tata Power

Key Highlights

❶ Under Sinha, the 108-year-old Tata Power has transformed into a new-age, sustainable, tech-oriented and customer-centric green solutions firm

❷ Its market cap has grown nearly 150 per cent since Sinha took over in 2018

❸ He deleveraged the balance sheet by divesting assets outside India and consolidating its other businesses

❹ Under him, Tata Power has enhanced its focus on green energy

their sales, in its businesses here. This was followed by consolidating the businesses that weren't delivering value as well as an enhancing focus on green energy. "We saw the writing on the wall that clean energy and sustainability would be important," he says. He also decided that the company would have to pursue a healthy mix of regulated and unregulated businesses for future growth. "The regulated business gives us a very static return on equity (RoE), while [the RoE from] the unregulated [one] is primarily dependent on efficiency and performance," he says. From a mix of 90 per cent regulated and 10 per cent unregulated, it is now moving to a mix of 60 per cent regulated and 40 per cent unregulated businesses.

In 2020, the company came up with a long-term strategy to expand in areas such as distribution. Following the acquisition of the Odisha discoms, Tata Power's customer base increased to 12 million from 2.5 million, in the blink of an eye. "That was a huge growth, though not so much in capital, but it offered great opportunities in terms of geographical area, customer base, customer services, etc.," says Sinha. The company also undertook a significant expansion of its renewables manufacturing capacity. "From just 250 MW of cells and modules, we doubled it to 540 MW of cells and 580 MW of modules during the Covid-19 period. We also decided to do our own projects as well as third-party engineering, procurement and construction (EPC) projects," states Sinha. This has helped the company in improving cash flows and economies of scale. The introduction of channel partners has also been successfully executed, with nearly 40 per cent of the 500 representatives across 300 cities fetching ₹1 crore plus in orders, each.

"All the businesses that we incubated in 2020 have grown big and started yielding results. Notwithstanding the Covid-19 pandemic, all our businesses have done very well. Our distribution business has stabilised. Our greenfield 4 GW manufacturing facility for cells and modules is coming up. We have a backlog of nearly ₹15,000 crore in orders in the EPC business. The rooftop solar and group captive are doing phenomenally well. In EV charging we again have a 50 per cent market share," he declares.

"Sinha is not leading a linear business. He, therefore, has to think about multiple aspects like how to balance the coal requirements as well as the transition to green energy, how to deliver imported coal-based power at an affordable price to state distribution companies while also maintaining return on equity and managing the company's renewables portfolio," says Antique's Natarajan.

Meanwhile, Sinha is confident that the shift from conventional to new technologies as well as the alignment between verticals, support functions and departments will ensure an even brighter future for one of India's oldest and largest integrated power utilities. "A very strong foundation has been laid and we call this Tata Power 2.0. This phase will prepare us for the next 100 years," he emphatically declares. BT

@manishpant22

THE GOSSAMER GIANT

Second-generation businessman S.P. Oswal has built the vertically integrated billion-dollar Vardhman Textiles into the country's largest yarn spinner

By **Vidya S.**

▶ **EVEN AS I** show up early for our 10 am appointment on a Thursday, Vardhman Textiles Chairman S.P. Oswal is in his first meeting of the day. In about 15 minutes, I am shown into a room which could be mistaken for a meditation chamber. Ludhiana's golden winter sunrays streaming through the all-glass windows illuminate titles on the Indian philosopher Sri Aurobindo. Seated on one of the grey sofas lining the three walls of the room is the bespectacled second-generation businessman. The octogenarian's slight frame, on which his grey woollen suit hangs a tad loosely, belies the vertically integrated billion-dollar textile giant he has built the company into since joining the family business as his uncle's reportee in 1966.

"I don't like to beg from bankers," says Oswal softly

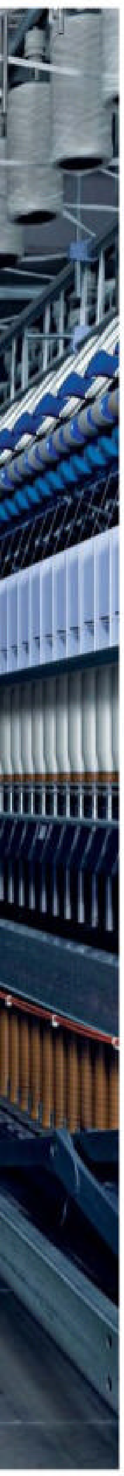
Textiles & Apparel
S.P. OSWAL
CHAIRMAN, VARDHMAN TEXTILES

Revenue from operations	**FY22**	9,622.34
	9MFY23	7,651.88
Profit before tax	**FY22**	2,070.88
	9MFY23	840.88
Profit after tax	**FY22**	1,551.23
	9MFY23	644.88
	FY22 RoE (%)	21.93
	Market Cap	9,062.78

- Data is on a consolidated basis; all figures in ₹ crore except RoE; 9MFY23: April-December 2022
- M-cap as of April 19, 2023
- Data Source: BSE, ACE Equity

PHOTO BY **HARDIK CHHABRA**

SPINNING A DREAM S.P. Oswal, Chairman, Vardhman Textiles



but firmly, harking back to a bloody incident in Vardhman's history—which shaped some key decisions at the company. On April 14, 1982, a factory manager carries a pistol unbeknownst to Oswal; a skirmish and a gunshot kills a factory worker; violence leaves 72 people injured and rioters try to attack Oswal in his office. "I prayed to The Mother, 'What can I do now?' Instantly, (it occurred to me) to tell them, 'You want to kill me? I have no arms. You can kill me.'" The unexpectedness of it calmed down the mob and helped start peace talks, he says with a laugh.

Oswal says that was the only year his cash flow was tight because of the long lockout following the episode, and he had to request the bank to defer the repayment of one loan instalment. "I had to wait outside the manager's office for three hours. I came out with tears in my eyes that God may not show me this day again...but after that my balance sheet has always been strong and we have carried on the growth."

Despite the ₹1,980-crore debt on its balance sheet as of FY22, analysts tracking the firm see its net debt to equity ratio of 0.25 as a big positive, especially in an asset-heavy business. "Vardhman is among the few textile companies that have been able to maintain a debt-equity ratio below one despite continuous capacity addition," says a stock update report by ICICI Securities from November 2022.

Oswal says 1982 was a turning point for him both personally and professionally. Already an avid reader of Sri Aurobindo's writings, every year for the next 32 years, he visited the ashram in Puducherry. And the company decided to set up a Maanav Vikas Kendra at every factory to train workers. His 28,000 employees are a cornerstone of Vardhman's success, says Oswal, the winner in the Textiles & Apparel category of the *BT*-PwC India's Best CEOs ranking.

In 1984, the violence that followed Operation Blue Star gave Vardhman a new direction—diversification into Madhya Pradesh and Himachal Pradesh to ensure more than 50 per cent of its revenue comes from outside Punjab.

Today, it has 15 factories across Punjab, Himachal Pradesh, Madhya Pradesh, Gujarat, Tamil Nadu and Andhra Pradesh powering its diversified business in yarn, fabric, garments, fibre and sewing thread. "A lot of textile firms expand fast and their balance sheets run faster than their revenues. But Vardhman has been prudent, ensuring that they expand only after their capacity gets significantly absorbed by their sales volumes," says ICICI Securities Analyst Bharat Chhoda. Take its yarn business, for instance. Founded with just 6,000 spindles in 1965, it is the country's largest yarn spinner today with 1.2 million spindles producing 670 tonnes of plain and dyed cotton, polyester, acrylic, viscose, specialised fibres and blended yarns per day. Yet, it utilised more than 90 per cent of its yarn capacity even when the domestic spinning industry was operating at 50 per cent last year due to uncharacteristically high cotton prices, says the ICICI Securities report.

Apart from the diverse product mix, Chhoda says its high capacity utilisation is also a result of good long-term client relationships which ensure orders don't dry up in tough times. Its roster includes international and Indian brands such as M&S, Gap, H&M, Tommy Hilfiger, Calvin Klein, Superdry, Levi's, Puma, Arvind, Pantaloons and Raymond for its yarns and fabric businesses.

Key Highlights

1. **Oswal has built Vardhman into India's largest yarn spinner with a daily output of 670 tonnes on 1.2 million spindles**
2. **Under him, Vardhman has diversified into six states with 15 production units**
3. **Vardhman has kept its debt to equity ratio below one**
4. **He set up Maanav Vikas Kendras at all factories to train workers**
5. **He sees the fabrics segment as a growth engine**

The 81-year-old Chairman's tenure comes to an end in 2024. No stranger to a family feud having seen both his brothers splinter away from the main Vardhman business, he says, "I can sit back with satisfaction that there will be no dispute I can foresee in the time to come." His only daughter Suchita Oswal Jain is the Vice Chairperson of Vardhman Textiles.

It is for the future generations to explore growth opportunities now, he says. While yarn accounts for two-thirds of its revenues, the fabrics segment—which accounts for the rest—is the company's growth engine, says Oswal. This is where Oswal sees immense potential for both his company and the country. BT

@SaysVidya

Navigator **Supreme**

An ardent but measured risk-taker, Allcargo's captain Shashi Kiran Shetty has set his sights on becoming one of the Top 10 integrated cargo logistics players in the world

By **Prerna Lidhoo**

▶ **AS A YOUNG** boy in his early twenties, things that fascinated Shashi Kiran Shetty were quite out of the ordinary. From the bustling sounds of containers being loaded onto cargo ships to the salty seaside breeze that filled his lungs and the endless splashes of water stretched out before him, all of it held him in thrall. And soon after leaving his home town of Bantwal in Karnataka for Mumbai in 1978, Shetty realised that his calling was in the shipping industry. By then, he knew that he would strive hard to make his dream a reality. And today, that dream has grown into a business worth some $2.5 billion.

"Looking at the enormity, the process of unloading ships, the movement of goods from one place to another—ocean transportation was an adventure in itself. You have to go through that loneliness, those choppy waters and navigational channels. Everything was very fascinating, and I fell in love with it," says Shetty, the 66-year-old Founder and Chairman of Allcargo Logistics, the winner in the Transport & Logistics category of the *BT*-PwC India's Best CEOs ranking this year.

Shetty credits his confidence in the India story and the requirements of efficient transportation in the country, for the phenomenal growth of his business. "The services side was not very sophisticated, while the shipping side was well developed. There was no middle ground; that's where I fitted in. I was kind of a bridge between the two," he says, adding that entering the less-than-container load (LCL) segment immediately gave his business a national scope. "Within one-two years, it gave me an opportunity to establish 20-plus offices across the country," he adds.

Allcargo's growth has been gradual, though. It started small in the early 2000s, when foreign funds started flowing into India. It sold 6 per cent of its stake to the US-based New Vernon Wealth Management to raise $12 million. "We used that money to buy shares in our Belgian partner (ECU Worldwide). That's how we became five times the size. But it was very challenging; we had never managed a multicultural organisation like this. Soon after, we expanded to 60 countries," Shetty recalls.

While no growth is possible without taking bold decisions at the right time, Shetty believes one's ability to manage risks plays a vital role in running a business. "We set up our container freight station business when there was nobody else. We were the first ones to set it up in the middle of a thousand acres," he says. Ravi Jakhar, the company's Chief Strategy Officer, attests to Shetty's risk-taking appetite. Describing him as an enterprising first-generation entrepreneur, Jakhar says, "This is a living organisation that breathes his values of foresight and scale".

Currently, Allcargo is in the midst of transforming the way it does business. And the past four years have been pivotal in this journey as the company has kicked off a demerger and sold off various businesses, among other changes. "We have transformed the entire business landscape, starting from the shareholder perspective... in-

Transport & Logistics

SHASHI KIRAN SHETTY

CHAIRMAN, ALLCARGO LOGISTICS

Revenue from operations	**FY22**	19,062.06
	9MFY23	14,599.01
Profit before tax	**FY22**	1,081.08
	9MFY23	788.90
Profit after tax	**FY22**	824.06
	9MFY23	558.23
	FY22 RoE (%)	32.45
	Market Cap	6,872.10

- Data is on a consolidated basis; all figures in ₹ crore except RoE; 9MFY23: April-December 2022
- M-cap as of April 19, 2023
- Data Source: BSE, ACE Equity

PHOTO BY **MILIND SHELTE**

AN EYE FOR DETAIL Shashi Kiran Shetty, Chairman, Allcargo Logistics

Key Highlights

❶ Shetty credits the India story and the requirement of efficient transportation in the country for the growth of Allcargo

❷ He believes that one can grow a business sustainably by using debt in an optimal manner

❸ Shetty says one's ability to manage risks plays a vital role in running a business

❹ His ability to be consistent, competitive, strategy-led and detail-oriented, developed while playing golf, are a big help while running a business

vested in a new business like Gati; also acquired outside India on the corporate side; and on the business side, the biggest change has been digitisation," Jakhar explains.

For Shetty, both his strengths and weaknesses stem from his impatience. "The shortest thing you have is the bandwidth; that has to be dealt with. I ask a lot of questions and try to get things done quickly," he says. That is why Shetty is quick to headline the company's digital-driven transformation. "In LCL, we have almost 63 per cent of our cargo booked online; significantly ahead of competition. Our financial accounting systems are also being standardised," Jakhar says. The concept of playing at scale also comes directly from the leader. "We won't continue in a business if it's not scaleable enough. We don't want to be No. 4 in any business. That's very clear in how we operate and it leads to cost advantages," he adds.

One of the things that Shetty learnt early on in life was to not run a business on too much debt. Having built the business with some ₹20,000, when he saw debt becoming a cause of major distress, he developed a theory of only going for optimal leverage. "This is the reason why we've been able to grow faster than the market. Both scale and growth don't come together unless you're doing something right," he says.

For now, the task at hand for Allcargo is to integrate its multiple businesses. And there are plenty of challenges. For instance, in the domestic market, Allcargo's Gati competes with Safeexpress, TCIEXPRESS, Blue Dart Express and Spoton Logistics (a Delhivery company). Globally, there are Vanguard Logistics, Alliance Logistics, etc., and in warehousing inventory management, there are Mahindra Logictics, Venus Container Line Logistics, Toll Logistics, etc. "Different players are focussing on small niches, but we're present across platforms. Now with digitisation, we will have a super-app like platform to integrate all our functions," Jakhar says. "The company has grown through multiple acquisitions, but in some sense, they aren't truly integrated." So far, Allcargo has done about 18 deals. "Acquisitions are always strategy-led for us."

But today, Shetty's biggest challenge comes from start-ups which, he believes, is easy to handle on the back of digitisation. "Our business is all about density and creating a network globally. Anyone who wants to start today will have to lay down a billion dollars to reach that level. Internationally there's no competition; on the domestic side, there may be a time when they [start-ups] try to disrupt us, but we will try to build what they have and integrate it with our legacy organisation," Shetty explains.

Aiming to be among the Top 10 integrated logistics players globally, Shetty has ambitious plans. And although his strategy lieutenant Jakhar concedes that it's a bold statement for a market leader to make, he confidently says, "Next three years are all about executing our strategies, which includes global diversification and domestic becoming a much larger part of our business."

For Shetty, his favourite sport golf—that he picked up 25 years ago—is full of life lessons. He believes that his ability to be competitive, strategy-led, detail-oriented and consistent will not only guide him on the greens, but in the ocean of business as well. **BT**

@PLidhoo

OPPORTUNITIES AND CHALLENGES IN INDIA

CEOs in India are focussed on overcoming near-term obstacles while reinventing businesses for the future

BY **VIVEK PRASAD,** MARKETS LEADER, PwC INDIA

THE UNION BUDGET 2023-24 outlined the Top 7 growth-oriented priorities—inclusive development, reaching the last mile, infrastructure and investment, unleashing the potential, green growth, youth power, and financial inclusion—driven by digital and technological innovations. Amid the disruptions across the world, a 30 per cent-plus increase in capital expenditure over the past year with a sharp focus on infrastructure, logistics, regional connectivity along with ease of doing business and certain tax reliefs, was reassuring.

A fractured world characterised by social instability, climate change, technological disruption, rapid urbanisation and shifts in global economic power and demographics is a cause of concern for global CEOs as evidenced by PwC's 26th Annual Global CEO Survey results. Between October and November 2022, 4,410 CEOs were polled across 105 countries, of which 68 were from India.

The dual imperative—of overcoming near-term obstacles while reinventing businesses for the future—is visible through much of the survey. Nearly 73 per cent CEOs worldwide predict a decline in global economic growth, marking a significant departure from their optimistic outlook in 2021 and 2022. Inflation, macroeconomic volatility, geopolitical conflict and climate change rank as the top threats, ahead of cyber and health risks.

The picture is a little different in India, with CEOs here exuding an air of relative optimism, further accentuated by Budget 2023-24, which in some ways reflects the way business has been evolving in India. About 57 per cent of CEOs in India believe that the country's economic growth will improve over the next year. Nearly 25 per cent of the CEOs indicated that they would like to focus on evolving their business and its strategy to meet future demands rather than drive operating performance.

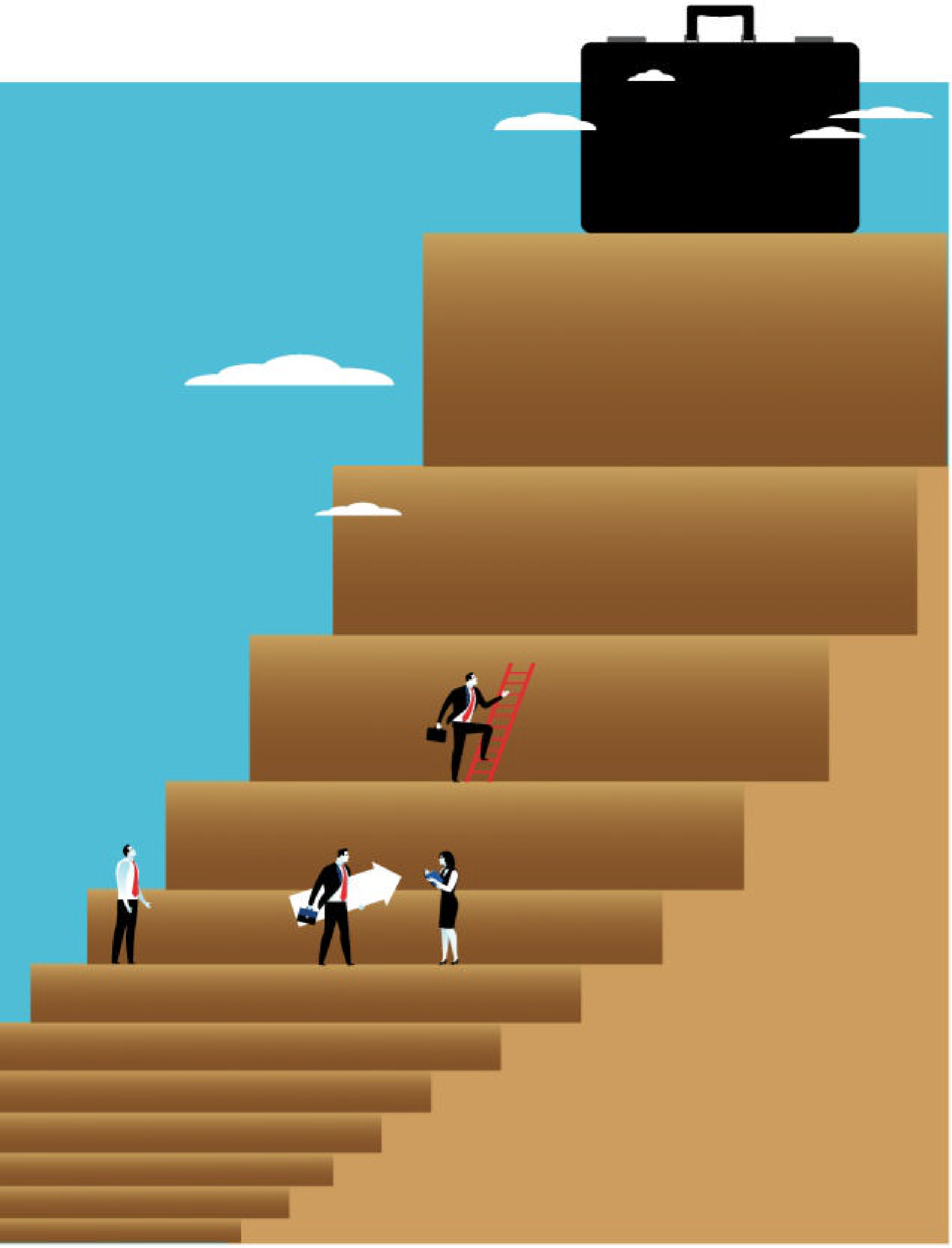
In line with that, mentoring and developing employees has taken precedence alongside technology- and reinvention-oriented investments. Around 85 per cent of the surveyed CEOs in India contend that they are investing in upskilling their workforce in priority areas, 82 per cent in automating processes and 81 per cent in deploying tech—such as cloud and AI—over the next 12 months.

The private sector and the untapped potential of natural resources continue to be perceived as major drivers of India's future growth, further buoyed by significant domestic demand. Apart from these, favourable demographics, abundant labour and larger contributions from the services and infrastructure sectors augur well for the Indian economy and may be the most hopeful aspects of business in the country today.

Supply chain is an area of concern. Around 67 per cent of CEOs in India are adjusting supply chains to mitigate exposure to geopolitical conflict, 60 per cent have started innovating new, climate-friendly products and processes, and 59 per cent are reducing or have already reduced operating costs. Another notable sentiment shared by 41 per cent of the CEOs in India is that their respective companies will not be economically viable in 10 years if they do not transform. Accordingly, CEOs are looking to reinvent their firms over the next five years with the required investments in tech and people. This dual imperative is spurring them to do the following:

Reinvent the supply chain: The survey indicated that CEOs in India are underscoring the need to include the impact of possible disruptions in scenario planning and corporate operating models. Supply chains that used to rely on siloed functions, limited data availability, manual decision-making and unconnected planning with limited options for customisation in the past, are now in for an overhaul by factoring in the following:

- **CUSTOMISATION** to cater to specific expectations of service levels/product availability/pack sizes



- **CHALK** out an investment plan and road map

Balance profitability with operational costs: Cost cuts are high on the priority list everywhere, with about 93 per cent of CEOs in India saying that they are cutting, have cut or are considering cutting operating costs. Further, 62 per cent CEOs are conscious of the fact that changing customer demand or preferences will impact profitability. Therefore, it is important to:

- **UNDERSTAND** the dynamic needs of customers to continuously deliver enhanced value
- **SERVICE** the shift in consumer expectations across new channel models—such as direct to consumer (D2C)—that offer a wide product range, pricing and product reliability, along with a good delivery experience
- **RECALIBRATE** the skills of the workforce to propel a future-fit transformation in anticipation of tomorrow's demands

Differentiate the people experience: The future of work will eventually be governed by the workforce of the future. The past couple of years have shown that employees prefer companies that have taken eco-friendly measures and place a premium on organisational trust, values and innovation, besides focussing on a flexible and hybrid way of working. Therefore, to enable a sustainable transformation over the next decade, companies would need to:

- **DEMOCRATISE** the workplace concept to focus on a 'workplace of the people' model
- **INCORPORATE** environmental, social and governance (ESG) components to mitigate climate risks to retain, upskill and motivate the workforce
- **PROVIDE** opportunities to be authentic at work

The responses noted in this survey may result in the CEOs drawing up alliances with industry consortia and nimble new-age start-ups to tap fresh business opportunities, with responsible and sustainable growth as the primary objective. At the same time, it would be imperative for them to partner with non-business entities—governments, academic institutions and NGOs—to ensure that the whole of society is factored into individual and collective growth. That is the way forward to make India a developed economy by the time it reaches its 100th year of independence. BT

- **AUTOMATION** using AI and ML to handle daily supply chain scenarios, allowing leaders to focus only on managing exceptions or extremely critical scenarios
- **INTEGRATION** through a supply chain control tower to provide an end-to-end integrated view across plan, source, make and deliver

Innovate climate-friendly products and processes: Many firms are embarking on a journey to address climate risks and decarbonisation. Building on the supportive policy environment around energy and environment that has been further reinforced in the Budget, corporates have begun to leverage various decarbonisation levers to achieve India's nationally determined contribution targets—45 per cent reduction in carbon intensity in gross domestic product (GDP) over the 2005 baseline and 50 per cent non-fossil energy in the energy mix by 2030. To accomplish this, it is essential to:

- **HAVE** a detailed corporate understanding of the risks and opportunities related to climate change
- **ACCELERATE** and enhance firms' execution planning, monitoring and reporting of sustainability risks

Reference: PwC's 26th Annual Global CEO Survey: India perspective. Views are personal

10 MOST INSPIRING ENTREPRENEURS TO FOLLOW IN 2023

MS. CHINU KALA

MR. SAURABH MUNJAL

MR. GAUTAM B. BODA

MR. SHIKHAR AGGARWAL

MR. JATIN PRASAD

MR. NIKHILESH TIWARI

MR. SURESH KUMAR GOYAL

MR. NNV NARESH

MR. RISHI AGARWAL

DR. JAGDISH SAKHIYA

CHINU KALA: A SELF-MADE MARVEL

A tenacious boss lady, Ms. Chinu Kala is the founder of the renowned online fashion jewellery brand Rubans Accessories, one of the swiftest growing companies in the Country today. The gritty and mettlesome entrepreneur started Rubans in the year 2014 after a rendezvous with the fashion industry as a participant in Gladrags Mrs. India in 2006 galvanized a spark in her to appreciate and envisage the importance of a small piece of jewelry in enhancing a person's overall look.

The stouthearted prodigy, however, did not have it easy and had a rather difficult journey for simmered differences with her father led her to run away from home at the age of 15 with just a pair of slippers, 2 salwar suits and a mere 300 rupees in her pocket. Having slumbered at a railway station bench and eating Vada Pav for dinner on her first night, she started working as a door-to-door salesgirl in order to sustain herself which eventually helped her in learning the nuances of business, that she believes is no rocket science but a simple way of meeting consumer demands in the best possible way. The self-made spectacle, then, never repined and went on to build the highest selling brand on Myntra enjoying a customer base of more than 25 lakh within a span of only 8 years.

Advancing ahead, as gallant and dauntless as ever, Chinu Kala recently appeared on Shark Tank Season 2 where Rubans featured as one of the most admired pitches of the season and received a humongous valuation of Rs. 100 crores. The magnificent stalwart has also become an active public speaker and has been invited to some of the most coveted talk shows and public platforms inspiring others including the TEDx, Josh Talks, BBC World, We the women (Barkha Dutt) and IIM Ahmedabad, undeniably making her one of the top 10 entrepreneurs to look forward to in 2023.

MS. CHINU KALA
FOUNDER RUBANS ACCESORIES

AN ENTREPRENEUR'S COOKBOOK: INNOVATION, STRATEGY, AND FUTURISTIC THINKING

Serial entrepreneur Saurabh Munjal has a deep passion for business and forward investing.

SAURABH MUNJAL
CO-FOUNDER & CEO, ARCHIAN FOODS PRIVATE LIMITED

Born in a business family and surrounded by self-driven enthusiasts like his father and wife, Saurabh Munjal himself is a visionary entrepreneur. Munjal has set up multiple businesses and driven them all to success, thanks to his passion for creating and sustaining value out of ventures.

Munjal completed his schooling in Chandigarh and went on to pursue a degree in Commerce from the Punjab University and another in Entrepreneurship from Narsee Monjee, Mumbai. Eventually, he headed to Singapore for an MBA and stayed in the city to gain some ground experience. While at it, Munjal set up his first entrepreneurial venture that clocked an impressive revenue of USD 18.7 million and is thriving to this day.

Back in India, Munjal found himself already getting a hang of entrepreneurship and forward investing, setting up multiple successful businesses consecutively. His hospitality business in Punjab, by the name of Shaurya Suites & Inn LLP, comprises a restaurant, banquet, hotel, and multiple F&B franchises and is delegated to able professionals today. His strategically placed and planned beverage bottling plant in Punjab, Archian Foods, was recently funded by a Belgium-based private equity firm, initially valuing over USD 100-150 million.

What stands out most about Munjal's entrepreneurial style and vision is his quest for innovation, strategy, and futuristic thinking. His one-of-a-kind product Lahori at Archian Foods has earned him several accolades, including the Indian Achievers Forum's Best Young Entrepreneur, and his people-first attitude has got him managing multiple businesses with several hundred employees with aplomb. "With my holistic skill set and professionalism," Munjal shares, "I intend to continue on my path of being an entrepreneur and building value-driven businesses."

GAUTAM B. BODA:
CARRYING FORWARD THE LEGACY, THE WORTHY SCION

A business zealot, Mr. Gautam B. Boda is a third-generation leader of the J.B. Boda Group, a leading global insurance and reinsurance broking company founded in 1943 by Gautam's grandfather, known for providing unparalleled and exemplary services to clients ranging from life and non-life insurance, P&I services, loss surveys to property valuation for over seven decades now. A strong-willed, dogged and tenacious leader, Gautam owes his leadership style to having held a virtually vast overseas experience and possessing traits like deep self-awareness and humility which have helped him establish meaningful relationships with clients, partners and employees worldwide in his three-decade long experience in the business community.

A good Samaritan and a philanthropist, now Group Vice-Chairman of the of the J.B. Boda Group, Gautam finds his key inspiration in making a positive difference in the world with his success mantra involving being both brave and kind, wherein being brave entails taking risks and advocating for what is right and being kind includes demonstrating empathy, tolerance, and respect for all individuals, irrespective of their differences. Integrating these two fundamental principles, he believes, there can be created collectively a more compassionate and equitable world.

Under Gautam's exemplary stewardship, the company has significantly expanded its global reach and has extensively established itself as a preeminent leader in the industry. Gautam is essentially committed towards demonstrating kindness while working hard and driving a business growth which is sustainable whilst devising group strategy and offering guidance to explore and evaluate new areas of opportunities. An embodiment of integrity and honesty, the innovative leader has already been awarded the Global Indian of the Year 2023 by Asia One Magazine and the Business Icon of India 2023 by Marksmen Daily, therefore making the list of top 10 entrepreneurs to look forward to in 2023.

MR. GAUTAM B. BODA
GROUP VICE CHAIRMAN & MD

SHIKHAR AGGARWAL
A JOURNEY OF A RESOLUTE VISIONARY

SHIKHAR AGGARWAL
JOINT MD

Mr. Shikhar Aggarwal, a scion of one of India's leading home-grown multi-conglomerate and the company's joint managing director, has led the company through many exciting milestones and triumphs on the international stage. A Chartered Accountant by virtue of academic qualifications, is additionally also trained in international business from the University of California. Befitting to his exactitude vision for the company he was appointed as the Joint Managing Director and a member of the Board of Directors of BLS International in early 2014. Since then, he has played a key role in steering the organization's strategy, operations, and governance structures both in India and beyond.

Shikhar's laudable and sterling leadership coupled with his deep understanding of the complexities of the global business environment has led to an expansion of BLS International's operations to over 60 countries becoming a trusted partner for governments and citizens worldwide. The company, recognized for its ethical business practices, is a trusted tech-enabled services partner for both governments and citizens across the nations and enjoys an impeccable reputation for setting benchmarks in the visa, consular, citizen, e-governance, attestation, biometric, e-visa, and retail services domains with its commitment to quality being apparent by the numerous noteworthy certifications which have been awarded to it.

A remarkably innovative thinker studded with immaculate business sensibilities, Shikhar has led the company into an era of steady exponential growth and successful corporate partnerships within a short span of time, receiving numerous awards and accolades along the way including the prestigious ET Global Indian Leader of the Year 2022, and The Times Young Achiever of the Year Award 2018, undeniably making him one of the most inspiring entrepreneurs to look forward to in 2023.

NOT AFRAID TO START SMALL WHEN THINKING BIG

Jatin Prasad's Story is All About Taking Action and Working Towards Your Goals

Unlike most entrepreneurs and businessmen who identify their drive only after years of experience and observation, Jatin Prasad was a dreamer from childhood. From a tender age, Jatin had a clear vision of what he wished to achieve and carefully crafted his strategy and career in that direction. Over the next decade, Jatin garnered extensive experience in various profiles across industries and built a vibrant network.

Most importantly, his journey as a self-made business leader has taught him several key lessons that shaped his growth. One, he strongly believes that there are no shortcuts to success. Two, nothing can beat an organized, systematic approach to business and entrepreneurship. Three, the four key ingredients to a successful venture are simple: a clear vision, a strong brand identity, excellent customer service, and a close eye on your finances.

With a combination of the above, Jatin has been able to take his venture, The Zukito Group, to applaudable heights. He believes in extensive research on understanding the nerve of the market and personally delves into the nitty-gritty of trends, demand, expectations, and competitors. That said, he also focuses sharply on the agility of his venture considering its ever-changing, fast-paced environment.

At the end of the day, an entrepreneur's drive for action and innovation matters the most. "I strongly believe that while all successful entrepreneurs may have different backgrounds and stories, they are tied by the common denominator of consistency and effort," Jatin shares. "This is what I have been following in my life. No matter the situation, one needs to show up and put in the hard work every day."

JATIN PRASAD
FOUNDER, CEO & MD

NIKHILESH TIWARI
FOUNDER & CEO OF SPAY TECHNOLOGY

MR. NIKHILESH TIWARI: EMPOWERING RURAL POPULATION TO LIVE IN A CASHLESS ECONOMY

A true visionary, intellect and genius, Mr. Nikhilesh Tiwari is the Founder and CEO of Spay Technology, a Fintech Company empowering the undeserved rural sections and migrant population by going cashless. Born and brought up in Lucknow, Nikhilesh worked in the sales and fintech industry for around 15 years until he decided to take the plunge and started his own business with a dream to bring the rural market at par with the urban population in today's fast-paced world of digital revolution asseverating going cashless as a necessity.

Spay Technology is presently one of the fastest growing B2B portals offering a range of services such as online money transfers, utility bill payments, recharges, aadhaar enabled payment system, travel bookings, and insurance among others owing to Nikhilesh's unparalleled determination, hardwork and ebullience to contribute positively to his brethren. His simple yet effective approach to offer services to his customers where they need them, when they need them and in whatever manner they need them has brought him multiple laurels and awards including the Asia One India's Greatest Leaders Award, the Iconic Indian Award, Top SME Business of the Year 2022 and the Midday Iconic CEO of the year 2022, Dubai. Despite facing multiple setbacks, Nikhilesh's untiring perseverance has significantly contributed towards uplifting the rural population and providing them with numerous job opportunities.

A quixotic and idealistic chieftain, Nikhilesh has trained his team to speak the customer's language and has successfully built a network of agents present at as many locations as possible to include one and all in the privilege called digital payments and, envisioning of building a network of a million exclusive stores operating as mini banks for his customers, Nikhilesh undoubtedly makes the list of top 10 inspiring entrepreneurs to follow in 2023.

SURESH KUMAR GOYAL
SPEARHEADING SAMBHV STEEL

Mr. Suresh Kumar Goyal, a multi-faceted doyen and intellect,is the Managing Director of Sambhv Sponge Power Pvt. Ltd., one of the leading steel manufacturing companies in India today. Sambhv Steel was built on a commitment to sustainability and excellence in 2018 by the visionary Shri Brijlal Goyal, who entered the steel market in 2004 layingdown seeds to become a prominent name in the iron and steel industry today.

The incandescent and resplendent group has presently become an integrated steel plant in Central India producing sponge iron, captive power, hot-rolled coils, billets & blooms, pipes and cold-rolled steel products. Sambhv Sponge Power has built its reputation on the remarkable and premium quality and consistency of its products which have low sulphur and phosphorus content while adhering to stringent ISO quality controls. Keeping sustainability at the forefront of its manufacturing process, the brand operates through an extremely efficient and pragmatic management which ensures, at all costs, maximum capacity utilization of the plant and maximizes profits with optimal use of resources setting an example for the iron and steel industry as to how growth and sustainability can reinforce one another.

With Mr. Suresh Kumar Goyal steering the wheel, Sambhv'sdedication to giving back to the community is laudable with the group being a consistent contributor to the development ofvillages surrounding its plant by fulfilling their needs of laying pipelines for drinking water, building roads and cemeteries, planting a large number of trees and beautifying ponds and temples. Having begun modestly, the company today enjoys an invigorating and exhilarating success which istestament to the business acumen and sterling leadership of Mr. Suresh Kumar, acting as a guiding principle to his brothers, and their concerted hard work, values and dedication.

SURESH KUMAR GOYAL
MANAGING DIRECTOR

NNV NARESH
FOUNDER & MD, NARESH I TECHNOLOGIES

MR. NNV NARESH
RESHAPING IT TRAINING IN INDIA

A genius by intellect and a leader at heart, Mr. NNV Naresh is the Founder and Managing Director of Naresh i Technologies, a leading IT training institute in Hyderabad providing quality training at extremely affordable prices to each and every aspirant dreaming of making it big in the IT Industry. Hailing from a small town in rural Andhra Pradesh, Naresh completed his B.Sc from YN College, Andhra Pradesh and further went on to earn his MCA from Coimbatore, Tamil Nadu, post which, the far-sighted intelligentsia identified a vast gap between industry expectations and academic training in the IT sector and how the available IT training programs were heavy on the pocket of an average middle-class student thereby hindering opportunities for success in the industry.

With a vision of democratizing IT training in the country and making it accessible to students from all sections of the society, the gutsy and spirited enterpriser founded Naresh i Technologies in 2003, which has, since then, trained over 15 lakh students from 16 states and 1800 colleges across India and provided skilled resources to more than 1000 companies making a significant impact on the industry's workforce. Naresh has also expanded globally offering virtual training sessions to students from 14 countries and 200 global universities with the Institute's YouTube channel enjoying a subscribership of over 10 lakh and around 10 crore cumulative views, a clear testament to the effectiveness and impact of its courses.

A gnostic and ingenious professional possessing an experience of over 2.5 decades in skill development, Naresh's remarkable commitment and unwavering focus to skill development has made a significant impact on the lives of aspiring IT professionals and under his phenomenal leadership, Naresh i Technologies has become a leading IT training institution with an ecosystem renowned for churning out the highest number of fresh IT aspirants in the world.

RISHI AGARWAL: A MULTIFACETED LEADER

Growing up with entrepreneurship in his blood and veins, Mr. Rishi Agarwal is a third-generation charismatic businessman spearheading, as its director, the Hemraj Group, a family-owned renowned business company in the food processing industry in India possessing a rich history with a commitment to innovation and growth. Rishi completed his education in family business management from the prestigious SP Jain Institute in Mumbai which paved his way to professionalize the management creating a strong line of leadership thereby achieving impeccable growth targets for the company within a short span of time.

With processing plants in India, Vietnam and Nigeria, the Hemraj Group, with Rishi at the helm of affairs, has become the largest rice and related products processor in Eastern India with a turnover of around USD 200 million. The firm has also successfully established itself as the highest exporter of deoiled rice bran extraction from India over a period of 10 years brandishing its commitment to quality and innovation and aims to double its processing capacities internationally through diversification of its product portfolio by venturing into soybeans, raw cashew nuts, and sesame seeds targeting a revenue of USD 1 billion by 2032.

RISHI AGARWAL, DIRECTOR

Apart from the core business of the Hemraj Group, Rishi, the prodigious luminary has also ventured into angel investing with a number of startups ranging from D2C, SaaS, logistics, EV and cloud kitchens, the sector-agnostic approach speaking volumes about his commitment to innovation and growth and a willingness to explore new avenues and opportunities, undeniably makes him one of the top 10 entrepreneurs to look forward to in 2023.

PIONEERING SKINCARE AS A COMBINATION OF ART AND SCIENCE

Dr. Jagdish Sakhiya uses his extensive knowledge of dermatology to deliver cutting-edge skincare services.

DR. JAGDISH SAKHIYA
FOUNDER & MANAGING DIRECTOR,
SAKHIYA SKIN CLINIC LTD.

Owner and founder of the Sakhiya Skin Clinic chain of 26+ clinics, Dr. Jagdish Sakhiya is a respected and renowned authority in dermatology with over 500,000+ satisfied patients. An expert in dermatological care, Dr. Sakhiya strongly advocates the need for both the right diagnosis and treatment plan along with a patient-doctor relationship fostered on trust.

Dr. Sakhiya started on a mission to help treat skin disorders from 1998 onwards, and his practice has only expanded since then. With an able staff of skilled and experienced doctors, the Sakhiya Skin Clinics have been pioneering cutting-edge dermatological technologies for more than 25 years now, offering online consultations in Tier-2 and Tier-3 cities as well. The clinic, which aims to be present in every corner in India, also has a long line of global patients availing themselves of quality services.

Committed to the development of his profession, Dr. Sakhiya has accumulated his rich expertise in pioneering skin and hair procedures. He has been on educational trips to more than 40 nations, including Australia, Paris, Dubai, and more. His specially curated Dr. Sakhiya's Advance Skin Science product line, comprising Vitamin C and Ceramide Moisturizing Body Lotion, Vitamin C Face Serum and Facewash, Retinol and Niacinamide Face Serums, Aloe Vera-enriched Sunscreen and AHA-BHA Quickpeel have been developed scientifically to rejuvenate and nourish all skin types.

In addition to his commitment to delivering state-of-the-art dermatological care, he is a skillful and enthusiastic educator mentoring hundreds of aspiring dermatologists. He established the P.J. Foundation Scholarship to help young dermatologists financially for their training. Dr. Sakhiya's list of honors is equally extensive, including the 2018 Champions of Change and Gauravvanta Gujarati Awards among many other awards.

Picking the **Winners**

The methodology behind the *BT*-PwC India's Best CEOs ranking

By **Rahul Oberoi**

PHOTO BY **MANDAR DEODHAR**

(From left) Mathew Cyriac, Mehul Pandya, Ajay Piramal, Cyril Shroff, J.N. Gupta and Milind Sarwate, with Sourav Majumdar, Editor, *Business Today*

THE MUCH-AWAITED annual ranking of India's Best CEOs is here. Like last year, *BT* teamed up with consulting firm PwC to devise a methodology for the study, which takes into account both quantitative performances as well as qualitative aspects.

We started with the quantitative exercise to shortlist the top three performers in each segment. But before that, a series of checks and filters were applied on our universe of the BT500 ranking of India's most valuable companies. Only companies with revenues of more than ₹1,000 crore were considered, with the data being sourced from corporate database ACE Equity.

The study period was FY20, FY21 and FY22, and firms with accounting periods of 12 months were considered. Those whose latest audited financial year results were not available were dropped, as were those that posted a net loss in any of these fiscals. While firms that debuted on the bourses during the study period were not considered, one firm was eliminated due to ethical/other reasons. A total of 319 companies made the cut, of which CEOs (or executive heads) who had been on the job for the full study period were considered. In the case of PSUs, the period was a minimum of one fiscal.

To arrive at the rankings, growth in total income, profit before interest and tax (PBIT) and total shareholder returns (TSR) were considered, with the results being considered on a consolidated priority basis. Firms were assigned a score on the average of year-on-year absolute change and three-year CAGR in total income and PBIT. For BFSI firms, profit before tax was considered in place of PBIT, along with the geometric CAGR of non-performing assets (NPA) and TSR, which was calculated using net price change plus dividends. Thereafter, scores were given to all these parameters, which were then added to get the final result.

Companies were then split into four categories—Super Large (total income of ₹1 lakh crore-plus); Large (₹50,000-1 lakh crore); Mid-sized (₹10,000-50,000 crore); Emerging (₹1,000-10,000 crore)—and 15 sectors. The jury did not pick any firm from the large category. PwC India reviewed and validated the process.

As a final step, the names of Top 3 CEOs in each group—overall and sector-wise—were placed before the jury, comprising Ajay Piramal, Chairman, Piramal Group (Jury Chair); Cyril Shroff, Managing Partner, Cyril Amarchand Mangaldas; Milind Sarwate, Founder & CEO, Increate Value Advisors; Mehul Pandya, MD & CEO, CARE Ratings; Mathew Cyriac, Executive Chairman, Florintree Advisors; and J.N. Gupta, Co-founder & MD, Stakeholders Empowerment Services.

This year, we introduced a new award, Business Icon of the Year. Groups with a combined total income of over ₹50,000 crore were considered. Nominations were based on market cap, total income and profit for the past three years of group firms in the BT500. BT

@iamrahuloberoi

A FAIRYTA

Check into a castle and get transported back to medieval Europe with its moats, turrets, towers and dungeons—but with modern-day luxury

BY **SMITA TRIPATHI**

LE HOLIDAY

ROYAL VACATION: The 350-acre Ashford Castle on the banks of Lake Corrib, near Galway city, dates back to 1228

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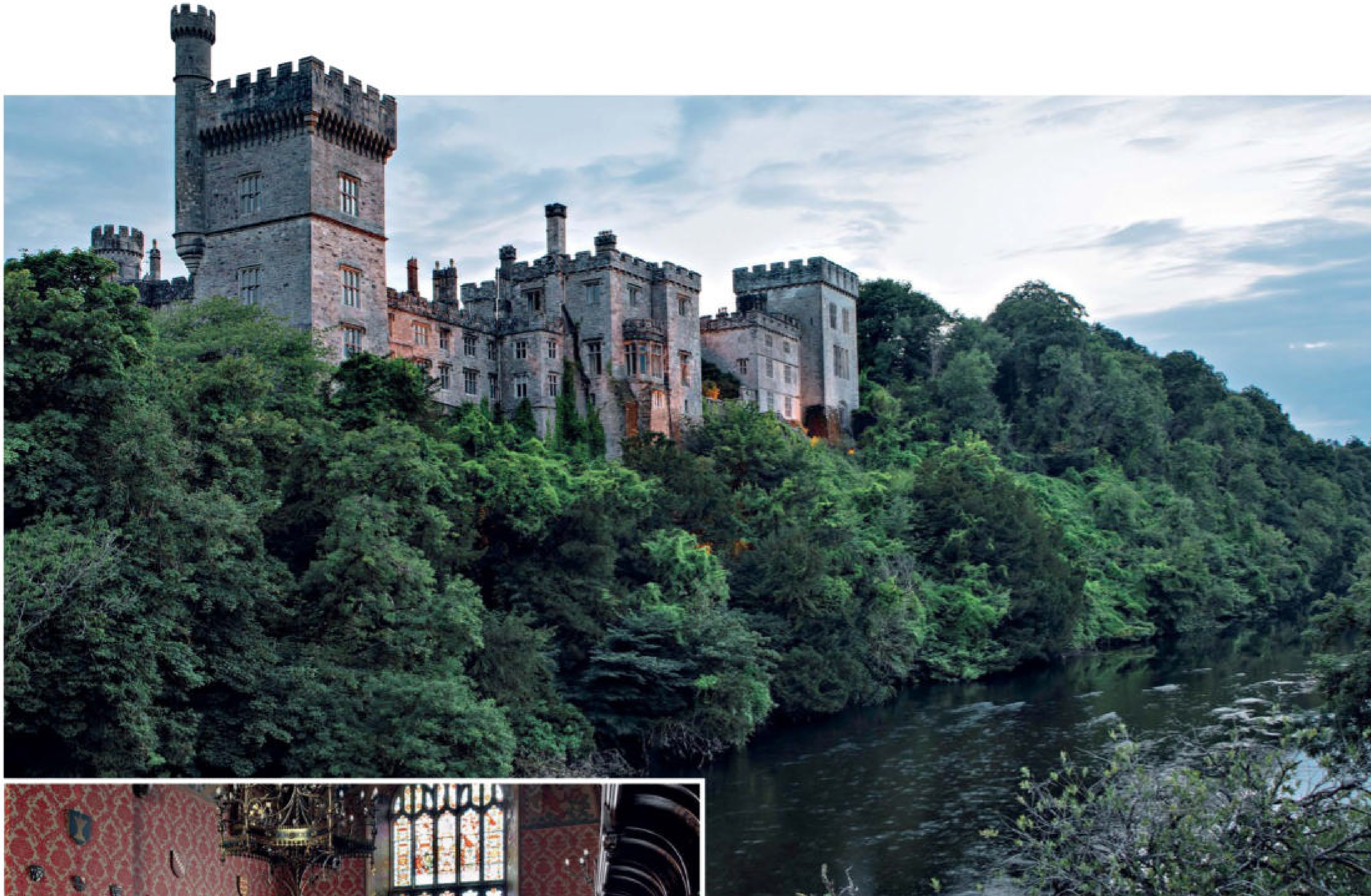
HISTORICAL FOOTSTEPS: The 15th-century Thornbury Castle, near Bristol in England, is one of the few Tudor castles to be converted into a hotel. King Henry VIII and his second wife Anne Boleyn had stayed here

QUICK, WHAT'S THE FIRST thing that comes to mind when you hear the word 'castle'? Does it transport you to a world of turrets and towers, devious stepmothers, lovely princesses, Prince Charmings, and happily ever afters? Or do you immediately think of fire-breathing dragons, swashbuckling knights, dungeons and dark secrets? Whatever it is, there is no denying that a castle transports us to an intriguing world that is only limited by our imagination.

Europe, especially the British Isles, are dotted with castles and quite a few of them have been converted into hotels, B&Bs or are available for private hires. So if the idea of spiral stone staircases, cobbled corridors and hidden chambers excites you, book yourself a castle and live life king size. "If you are booking a room in a castle hotel, this could be linked to the location, but in many instances this can be linked to the history of the castle, maybe a historic figure who has stayed there," says Roger Masterson of Celtic Castles, a UK-based travel company that has over 100 castles listed with it across the UK and Ireland and another 300 around the world.

How about a room in which King Henry VIII slept? Masterson recommends the 15th-century Thornbury Castle, near Bristol in England, one of the few Tudor castles to be converted into a hotel. The castle was originally conceived and constructed by Edward Stafford, the Duke of Buckingham, the only man to rival the king's wealth and status at that time. However, he couldn't enjoy the property for long as he was found guilty of treason and—in typical Henry VIII style—was beheaded. In 1535, Henry VIII and his second wife Anne Boleyn stayed there for an extended period of time. Unfortunately, the castle did not



OF TURRETS AND TOWERS: Lismore Castle, located on the banks of the River Blackwater, in Waterford, Ireland, is the home of the Duke and Duchess of Devonshire and is one of Ireland's most sought-after exclusive-use properties

Europe, especially the British Isles, are dotted with castles and quite a few of them have been converted into hotels and B&Bs

change Boleyn's fate, who was beheaded 10 months after her stay at the castle. Thornbury Castle, complete with turrets, steep spiral stone staircases and oriel windows, combines history and splendour with beautiful walled gardens. For over five decades its restaurant has grabbed attention as it was the first restaurant in the UK outside of London to get a Michelin star. Have a fancy meal there accompanied with an expertly chosen selection of over 200 wines. Rooms start at £380 a night in May and June and can be booked through their website or through the Celtic Castles website.

Travel further north to Scotland and to Borthwick Castle near Edinburgh, a 600-year-old Scottish castle that protected Mary, Queen of Scots, and was attacked by Oliver Cromwell. The 13-room castle sleeps 26 and is meant for private use. It can be all yours for £12,000 per night. The castle boasts of three sets of spiral stone stairs, giving access to the castle's separate storeys, including a small room that is believed to have been the bedchamber of its most famous resident—Mary, Queen of Scots—who fled from the castle dressed as a page. Another fascinat-

SCOTTISH HERITAGE: The 600-year-old Borthwick Castle near Edinburgh once protected Mary, Queen of Scots, who fled from the castle dressed as a page. The 13-room castle sleeps 26 and is meant for private use

ing feature of the castle is a large gouge in the stonework of the east wall, believed to be the damage from Oliver Cromwell's cannon. During WWII, the castle was used as storage for Britain's national treasures. Who knows, you may find a trinket or two left behind by mistake. Today the castle has a state-of-the-art off-site heating centre and luxurious furnishings, making it extremely comfortable.

Hop over to Ireland and castle country. Irish castles are regarded as some of Europe's most beautiful properties. Spend a couple of days at the 350-acre Ashford Castle that dates back to 1228. Offering 83 rooms, all with unique artwork and antique furniture and designed with a rich sense of history, Ashford Castle is located on the banks of Lake Corrib, Ireland's second largest lake—35 miles away from Galway city. With Ireland's first falconry school, as well as golf, tennis, and horseback riding, a stay at the castle provides plenty of outdoor activities and countryside charm. If you want true boasting rights, learn to fly a hawk! Rooms start at €875 and suites from €3,200 per night. Grab yourself a glass of wine from the vast cellar or sit back and enjoy a film in the castle's own private cinema.

If you would rather have the whole castle to yourself—you may decide to share it with friends and family—check out Lismore Castle, located on the banks of the River Blackwater, in Waterford, Ireland. The home of the Duke and Duchess of Devonshire, it is one of Ireland's most sought-after exclusive-use properties. Rates start from €86,000 for a seven night stay for 16 guests. Throughout your stay, the family's private staff, which includes butlers, gardeners, and cooks, will attend to your every need. The head chef meticulously plans breakfast, afternoon tea and dinner, making everything from scratch—right down to the delicious jams, chutneys and apple juice made with produce from the castle gardens.

The castle, built in Gothic style, is surrounded by eight acres of gardens, believed to be the oldest in Ireland.

Across the Channel, you can stay at chateaux hotels on the French Riviera or in castles in Normandy. But cross the border to Germany for a true fairytale feel. Germany has over a thousand castles that one can stay in. Check out Hotel Burg Trendelburg, near Kassel, with its own Rapunzel Tower. The 40m high tower overlooks lush countryside. Climb up 130 steps to soak in the panaroma and once back down get the much-needed pampering in the spa. Rooms start at €200 per night in summer.

Airbnb has several castles listed across Europe. You can stay in the heart of Tuscany in Italy in a castle in Poggibonsi. This magnificent structure between Siena and Florence was built in 998 AD. It is an excellent getaway for a group of friends or family, with five bedrooms. The grounds of this historic chateau include a large swimming pool, vineyards and olive gardens.

So the next time you are in Europe, book yourself a castle and live like royalty. BT

@smitabw

THE CEO'S TOOLKIT

We know it gets stressful in the corner office. Let tech ease some of your burden with these natty solutions

BY **NIDHI SINGAL**

DON'T SIT TIGHT

Often, you're stuck at your desk, and your busy schedule leaves you little time for exercise. What if you could do a version of your workout at the desk itself? Enter this nifty under-desk portable Elliptical. This machine combines the benefits of a mini elliptical and a stair stepper with adjustable resistance and can be used both while standing and sitting down. It features an LCD monitor to track workout data, and displays calories burnt, RPM, stride, time, and distance during exercise. Most importantly, the pedal exerciser, support rod, and the bottom of this under-desk elliptical machine have anti-slip material so that you don't slip up.

Available on: *amazon.in*

PERLECARE UNDER DESK PORTABLE ELLIPTICAL MACHINE

₹43,303

Exercising is a breeze with this one if you're shackled to your desk

LG STYLER

₹1,84,990

Your corner office should have this if you want to dress to impress

POWER DRESSING

A smart jacket, a freshly pressed formal shirt, a business tie and dress shoes—these are sartorial choices a CEO can't do without. But long hours and a hectic schedule can take its toll. And if you're headed for a client meeting, you need to dress to impress, even if it's been a hectic day. Time to unveil your personal dry cleaner from LG. The Styler's actually a smart wardrobe designed to sanitise clothes; but it'll do just right to keep you smelling of daisies when you meet your client. Plus, the ThinQ app makes it easy to operate it from anywhere, using Wi-Fi and can be used to select and download up to 20 programmes to care for your clothes.

Available on: *lg.com/in*

DECIMATING RISKS

Your executive assistant might be managing most of the paperwork, but there are times you just can't do without paper. From client information, to bank statements to travel dockets, there's a lot of paper with sensitive information you need to get rid of safely, preferably by yourself. Get yourself this micro-cut shredder for such occasions. It shreds documents into tiny pieces that are unreadable, keeping sensitive information away from prying eyes. And in case you have expired or inactive credit or debit cards lying around, you can shred them as well.

Available on: *amazon.in*

BONSAII MICRO CUT PAPER AND CREDIT CARD SHREDDER

₹20,048

Dispose of sensitive documents with this paper shredder

THE CHARCOAL DESK

₹89,000
(for the large version)

Bid bad posture goodbye and boost your productivity with this desk

STANDING TALL

Sitting is the new smoking, so how about getting a standing desk? This one from Charcoal, which has won a Red Dot award for design, packs quite a punch. From the Italian crystal-acrylic top to high-quality motors and columns from Denmark, to the silicon-moulded buttons on top (with tactile feedback) everything screams subtle sophistication. To boost productivity, the embedded sensors observe your work habits and suggest the best time to take a break via the companion app. The desk also has an Activity Lamp that subtly changes colour to a warm yellow when it's time for a break and progresses to a mean orange when you shouldn't delay your recovery.

Available on: *charcoal.inc/en-in*

REST IN PEACE

As a C-suite occupant, you're privy to a lot of company secrets, some of which can only be backed up on premises. The best way to do it is to connect an external hard drive to your laptop to back the data up. Such confidential stuff deserves only the best. This solution from Lexar comes with 256-bit AES encryption to help protect your essential files against corruption, loss, and deletion. You can create a password-protected safe that automatically encrypts data—and files deleted from the safe can't be recovered. The drive can handle harsh temperatures and vibrations, and best of all, it supports read speeds of up to 1050 MB/s and write speeds of 900 MB/s.

Available on: *amazon.in*

LEXAR PROFESSIONAL SL100 PRO PORTABLE SSD 1TB

₹38,356

This hard drive promises to keep your confidential data safe

PAINTER'S PROGRESS Hardika Shah would like to attempt painting hyper-realistic subjects

A SUCCESSFUL BRUSH STROKE

Hardika Shah, Founder and CEO of Kinara Capital, would like to spend more time painting portraits

BY **SMITA TRIPATHI**

PHOTOS BY **HARDIK CHHABRA**

HARDIKA SHAH, the 51-year-old Founder and CEO of Kinara Capital—one of the leading fintech lenders in the MSME space—is a self-confessed perfectionist. So much so, that even when it comes to art, something she enjoys doing, she still selected one of the toughest genres. "I started painting when I was a teenager. Now that I look back I think a little bit of that perfectionist in me came from painting. I started by painting portraits which is one of the hardest things to do. I started with pencils and then moved to charcoal. And then to acrylic and oil," says Shah, who is based in Bengaluru.

She says it was a great way to capture what was happening around her. "Now that I am older I appreciate it even more. Portraits gave me a chance to capture people's expressions. It's the life story that that expression tells you at that point in time, which is so much more. And often harder to paint than a pretty picture," says Shah adding that she is a self-taught artist who likes to paint only for herself.

"Now I don't do it as much. Every now and then I will pick up the paintbrush but not as much as I would like to," she confesses. When Shah was working in Australia at Accenture in the late 1990s she engaged in pottery as an art form. "Now I like to paint on pottery. I have done that a bit here. But it is getting harder and harder to find dedicated time to start something and see it through. But I do like to be in that moment where I am focussing only on my art. It is a great stress buster. When your life is so intense at one level it gives you a cocoon which you can lose yourself in," she says.

Shah says she has also started appreciating good art. She likes hyper-realism. "I feel the effort that people put in to get to that level of realism is just so high.

When I couldn't paint, I bought," she laughs. Shah buys from local artists but since she has lived on three continents—Australia, the US and Asia—local is wherever she is local.

"If today I were to go back to painting, I would do something that is very detail-oriented. It could be a portrait or still life—something that looks realistic. I find that fascinating and having attempted it myself I know it is very hard to execute. You are basically trying to create a 3D visual on a 2D surface. So it is the Holy Grail and I would absolutely love to attempt it. After all, we all need a challenge. If one is a strong personality, one can't just switch off. We just have to change the medium," she says.

"I do like to be in that moment where I am focussing only on my art. It is a great stress buster. When your life is so intense at one level it gives you a cocoon which you can lose yourself in"

Kinara Capital has 125 branches in six states—Tamil Nadu, Karnataka, Telangana, Andhra Pradesh, Maharashtra and Gujarat—and has disbursed close to ₹4,500 crore of capital since 2011 when it was founded. It closed this financial year with AUM of ₹2,500 crore, double of that of last year. "I know there is a lot of talk about worldwide recession but India has always been the anomaly. There is so much demand here. For micro enterprises all of the demand is largely domestic. They are ready to move and we are ready to move with them," says Shah, adding that they expect their pace of growth to continue for the next couple of years. BT

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A COLLECTOR'S DREAM

Abhishek Poddar, MD of Matheson Bosanquet, started his love affair with art as a teenager

BY **SMITA TRIPATHI**

PRIZED POSSESSIONS Poddar recently opened a private museum in Bengaluru where most of his art collection is housed

FOR ABHISHEK PODDAR, the Managing Director of Matheson Bosanquet, a seven-decade-old company managing tea plantations in south India, his love affair with art started when he was in boarding at The Doon School. "I used to read *The Illustrated Weekly of India* that had a centre spread on an artist and his art and that's how I was introduced to art," says the 54-year-old who has recently set up the Museum of Art and Photography (MAP) in Bengaluru that houses nearly 60,000 pieces of art, including a large part from his collection.

HE BECAME FRIENDS WITH ARTIST M.F. HUSAIN AFTER MEETING HIM AS A SCHOOLBOY

Poddar met M. F. Husain when he was a 15-year-old boy on his school break back home in Kolkata. Husain was standing at a bus stop and Poddar recognised him because he wasn't wearing any shoes. The young boy went up to chat with him, invited him home for tea and struck up a friendship that lasted decades. Similarly, he met the artist Manjit Bawa at his studio in Delhi and developed a rapport. "Bawa took me around to meet different artists. He asked me what I liked and disliked about the work rather than just tell me what was good or bad. He went into the details. That became an education for me. It was through artists like him that I sharpened my own eyes," he says.

The very first piece of art he bought from his own salary was a Jatin Das drawing that he picked up from an art gallery in Kolkata. Over the years he has collected everything from modern and contemporary to classical to folk and tribal to photography. "A lot of this stuff was not even considered art in those days. It was my encounter with different gurus that drove me to different sections of Indian art," he says.

Half of Poddar's collection is already with MAP and more will be added soon. "I am not collecting as actively now. A lot of my energy has gone into building MAP. But who knows what the future holds," he says. BT

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BEST ADVICE

SUBHASISH CHAKRABORTY | CHAIRMAN & MANAGING DIRECTOR, DTDC EXPRESS

Bengaluru-headquartered DTDC is a leading integrated express logistics provider

'Go out of your comfort zone'

What was the problem you were grappling with?
I used to work for a Kolkata-based non-banking financial company (NBFC) and had risen sharply through the ranks, being recognised for my work ethic, integrity and results. Suddenly in the 1980s, the then Finance Minister of West Bengal amended the NBFC Act, which almost overnight led to the closure of the business, rendering us jobless and penniless with little hope for the future.

Whom did you approach for advice and why?
I sought a meeting with the late B.K. Roy, the then MD of Peerless Finance, a financial pioneer in eastern India. He was like a mentor to me and I wanted his counsel and advice.

What was the advice you received?
He told me, "Subhasish, never get bound to your place. Explore the country, and find opportunities out of your comfort zone. Discover your mettle." I was a little hesitant as I had never gone beyond Bhubaneswar, and I couldn't speak proper English. He advised me to let go of the fear of the unknown. "Shed your inhibitions and grab opportunities. It will toughen you up, sharpen your focus, make you agile and pay great dividends in the long run," he told me.

How effective was it in resolving the problem?
Thanks to him, I moved to Bengaluru, dabbled in a few things including the chemicals business, identified the problem of untimely parcel deliveries as well as tracking the shipments and having "proof of delivery". In those days, the goods used to reach their destination even before the consignee could get the lorry receipt. I realised that customers were ready to assign huge value to it—thus DTDC was born and it has become one of India's leading express logistics companies offering domestic and international delivery solutions, serving B2B, B2C and retail customers. BT

—TEAM *BT*

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