

## Looking for a Deal Sweetner

KT Venkatesan and KT Srinivasa Raja, the brothers who own the Rs 420 crore Indian food chain Adyar Ananda Bhavan, are in talks with private equity funds Carlyle and Sequoia to finance their expansion plans. In addition to the expansion of its outlets across India and the world, they are also looking at running budget hotels along the highways, having food courts to sell idlis, dosas and meals, and exporting frozen food. Both the brothers had joined their father's struggling sweets business four decades ago and by now have built up a multi-million-dollar business with global ambitions.

Presently, Adyar Ananda Bhavan has 75 sweet outlets out of which, 35 have restaurants. The first sweet shop was setup in 1988 by Raja's father, who had learnt to make Bengali sweets and Chaat during his stay in Mumbai. At that time, there were few sweet shops in Chennai and chaat was a rarity; the shop became a huge hit. They launched their first restaurant in 2000. The brothers added the scale and variety to the business. *"Though we did not have proper education, our ambition was never small. We were able to employ professionals, which has helped us grow. We made the business independent of us. It should run on its own,"* says Raja. Having established their presence in Delhi and Bangalore, they are looking to enter Mumbai, Hyderabad and Ahmedabad. Raja shares that they are also in talks with a Belgian firm for an overseas foray.

Emphasizing the importance of a strong bonding among siblings, Kavil Ramachandran, Thomas Schmidheiny Chair Professor of Family Business and Wealth Management at the Indian School of Business, commented, *"The fact that both brothers grew up together and got into business early, has helped in their bonding and growing the business without any conflicts or any difference of opinion - a key area in family run business."* Pondering over the future of the business he said, *"Their future success would be determined by how they rope in the next generation and handle entry of non-family members into the business."*

Source: The Economic Times, June 15, 2013