ISB Thomas Schmidheiny Centre for Family Enterprise

VOL. 4 • ISSUE 3
JULY – SEPTEMBER 2025

Family Enterprise *Quarterly*

Editor's Desk

Professor Sougata Ray,
Executive Director
Thomas Schmidheiny Centre for Family Enterprise, ISB

I'm delighted to present the third 2025 issue of the *Family Enterprise Quarterly (FEQ)* to our readers. As family businesses continue to operate and grow in an increasingly complex world, each issue of *FEQ* aims to capture the stories, strategies, and reflections from this unique ecosystem. In this edition, we bring together a compelling mix of narratives—ranging from legacy and leadership to innovation and impact.

The *C-suite Wisdom* section features key takeaways from a thought-provoking talk by Dieter Spaelti, Founder and Principal of LBK Capital Group, delivered at the 9th Asian Invitational Conference on Family Business, held at ISB. Drawing on four decades of board experience at global companies such as Holcim, Alcon and Rieter, as well as his longstanding advisory role with the Thomas Schmidheiny family, Spaelti shares six strategic levers that together form a practical roadmap for transformation. In July 2002, he co-founded Spectrum Value Management Ltd, the Swiss investment vehicle of the Thomas Schmidheiny family, where he served first as managing partner and later as CEO from 2006. Following his retirement in May 2021, he transitioned to vice-chair and continues to advise the firm from its board. The depth and breadth of his experience throw up insights that are both nuanced and actionable. Set against the backdrop of changing geopolitics and an emerging global economic order, his reflections offer timely guidance for Indian family businesses navigating today's fast-shifting landscape.

In the *Women in Business* segment, we speak to Mourya Boda, Chairperson of Brilliant Bio Pharma Private Limited, a Hyderabad-based biopharmaceutical company. Under her leadership, the company has grown into one of Asia's largest BSL-3 vaccine manufacturing facilities, combining scientific rigour with a strong sense of purpose. The *Next-Gen* and *Thoughts from Our Alumni* sections feature Dr Raches Ella, Chief Development Officer at Bharat Biotech, and Puneet Agarwal, President at CJ Darcl. They speak to us about their experiences of entering the family business, driving change, and integrating professional values. Both offer thoughtful reflections on what they believe are essential lessons for next-gen leaders—insights shaped by their unique vantage points within their family organisations.

This issue also pays tribute to the late Shashikant Ruia, co-founder of the Essar Group. His legacy includes not only a diversified conglomerate spanning energy, metals, infrastructure and technology, but also invaluable lessons on preserving family cohesion. Speaking of togetherness, the case study *Breaking Up Amicably: Leveraging Mediation in Phoenix* explores what can be done when familial ties fray. Centred on the Gupta family and their textile business, Phoenix, this case summary analyses how a decade-long conflict that escalated to litigation was ultimately resolved through mediation.

The *Global Perspective* segment in this edition celebrates the LEGO Group, a legacy built quite literally brick by brick. What began as a small carpenter's workshop in 1932 has become the world's most valuable toy brand, driven by innovation, imagination and intergenerational stewardship. The *Vintage Regional Icon* for this issue is Jan Cap House, one of the Kashmir Valley's most storied family-run workshops. For over 125 years, the Jan family has handcrafted each cap with care, preserving an intricate tradition of artisanal excellence and pride in every stitch.

In *From the Bookshelf*, we feature *Havells: The Untold Story of Qimat Rai Gupta*, written by his son, Anil Rai Gupta, who is currently the Chairman, Managing Director, and CEO of Havells. The book offers a rich narrative of the parallel journeys of a business and a family across decades of transformation. With its honest exploration of family dynamics, professional apprehensions and bold decisions, the book offers a mirror in which many business families will see their own reflections.

We have also summarised two articles that explore the evolving role of family offices: *Family Offices: Strategic Infrastructures of Dynastic Wealth* by Luna Glucksberg and Roger Burrows, and *Families and Fortunes: Wealth, Succession & Family Institutions* by Michael Gilding. Together, they examine how family offices and institutions are becoming critical to sustaining dynastic legacies. Finally, the *Do You Know* section presents insights from HSBC Global Private Banking's 2025 report. It explores how families are navigating succession, the emotional journey of successors, and the growing autonomy of the next generation.

We hope the ideas and stories in this issue spark meaningful reflection and dialogue within your own family and enterprise. As always, we eagerly look forward to your thoughts and feedback.

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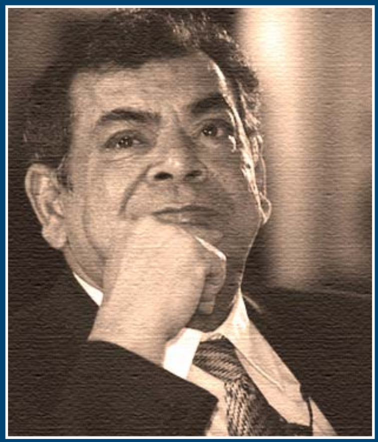


Article Summaries: Emerging importance of family offices

Reimagining Dynastic Wealth: The Evolving Role of Family Offices and Institutions

● Editor's desk

As global wealth becomes increasingly complex and intergenerational, family offices (FOs) and institutions are emerging as pivotal forces in sustaining dynastic legacies. The works of Glucksberg & Burrows (2016) and Gilding (2005) collectively reveal how these practitioners' are transforming from financial managers into strategic stewards of legacy, identity and cohesion.

Family Offices: Strategic Infrastructures of Dynastic Wealth

● Study by Luna Glucksberg & Roger Burrows

The article offers a rare window into how modern FOs are managing far more than investments. They are designing systems that preserve family narratives, manage internal conflict, shape succession, and prepare heirs for responsible stewardship. These offices coordinate wealth across a growing number of global assets while maintaining alignment with the family's core values and evolving identity. In essence, they have become the architects of dynastic resilience, quietly enabling the long-term preservation of influence, capital and cohesion.

Implications for Family Businesses

For family enterprises, the role of FOs is both strategic and deeply personal:

- Institutionalising Continuity: As families move from business operators to wealth stewards, FOs serve as centralised structures that maintain legacy and vision without necessarily managing day-to-day operations.
- Bridging Generational Gaps: Succession becomes more manageable when supported by FOs that provide neutral facilitation, mentorship and frameworks for communication.
- Navigating Global Expansion: With many family members living and working across continents, FOs help maintain a unified strategy and cultural alignment.
- Governance Beyond the Boardroom: FOs enable families to separate emotional and legacy matters from business operations, providing a platform for long-term planning.

Insights for the Practitioner

Practitioners working with wealthy families or developing family office structures will benefit from the following takeaways:

- Beyond Finance: Successful FOs are just as much about emotional intelligence and cultural fluency as they are about asset management. They must act as stewards of the family story.
- No One-Size-Fits-All: Every FO must be tailored to the family's size, values, complexity, and legacy objectives—standardised approaches often fall short.
- Trust is Core: Relationships are built slowly and sustained through discretion, consistency, and long-term alignment with family values.
- Focus on People, Not Just Portfolios: Leadership coaching, financial education and exposure to philanthropy are now essential offerings. FOs must prepare heirs to inherit responsibility, not just wealth.
- Lifestyle as Legacy: Managing homes, staff, collections, and cross-border logistics may seem operational, but these are strategic in reinforcing elite identity and intergenerational cohesion.

Conclusion

Family offices have evolved into strategic infrastructures for dynastic wealth—weaving together financial, emotional, and cultural threads that hold UHNW families together across generations. As families become more global and complex, FOs are playing a more critical role than ever before. They are not just discreet administrative hubs—they are adaptive, multi-functional institutions that protect legacies, foster cohesion, and enable long-term success. For advisors, this requires a shift from transactional support to relational, values-driven guidance—where legacy is the real asset being managed.

Source:

Glucksberg, L., & Burrows, R. (2016). Family offices and the contemporary infrastructures of dynastic wealth. Sociologica, 10(2), 1–23.

Families and Fortunes: Wealth, Succession & Family Institutions

● Study by Michael Gilding

Michael Gilding's 2005 study challenges the belief that family influence in business is waning. Based on interviews with 43 members of Australia's BRW Rich 200, the research highlights that families remain pivotal in the creation, management and transfer of wealth. While professional management has become common in large firms, family involvement is especially critical in the early stages of wealth accumulation. The study reveals ongoing complexities around succession and inheritance, alongside the evolution of family institutions adapting to growing wealth and changing needs.

Implications for Family Business

Family businesses continue to rely on emotional commitment, trust, and long-term orientation that families uniquely provide, particularly in the early development phases. Succession planning remains a significant challenge, with generational tensions and unclear roles often complicating transitions. The preference for equal inheritance underscores a collective sense of fairness, but practical tools like trusts and foundations are used to manage entitlement concerns. Moreover, families increasingly establish flexible governance structures, such as family offices, that balance unity with individual autonomy, helping to sustain wealth and relationships over time.

Insights for the Practitioner

- Encourage families to harness the foundational values of trust, emotional support, and long-term vision during early business growth stages.
- Facilitate structured and holistic succession plans that consider both the organisational needs and emotional readiness of all generations involved.
- Integrate financial planning with governance frameworks and family education to ensure wealth transfer aligns with family values and fairness principles.
- Advocate for flexible institutional arrangements that accommodate diverse member participation while preserving family cohesion.
- Understand the founder's intentions behind family structures, as these often prioritise legacy preservation without rigid control, with tax strategy and social trust playing vital roles.

Conclusion

Contrary to assumptions of decline, family influence in business is evolving rather than disappearing. As wealth becomes more complex, family institutions are adapting to provide a balance of continuity, flexibility, and shared purpose. Recognising and supporting these dynamics enables families to sustain their fortunes across generations while fostering harmony and resilience. ●

Source:

Gilding, M. (2005). Families and Fortunes: Accumulation, Management Succession and Inheritance in Wealthy Families. Journal of Sociology, 41(1), 29–45.

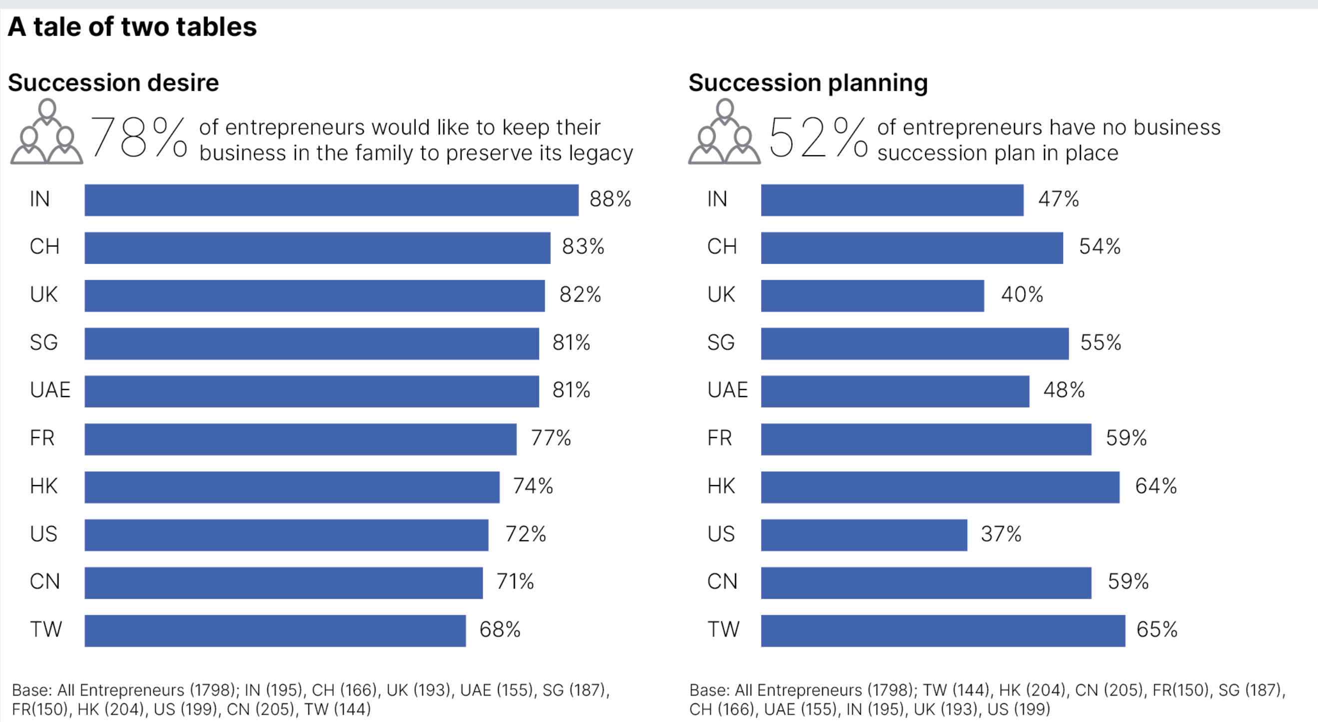
Family-owned Businesses in Asia: Harmony Through Succession Planning

Family-owned businesses are the cornerstone of Asia's economy, contributing significantly to national GDPs and employment. As these enterprises undergo an unprecedented generational transition, succession planning has become increasingly vital. This transition is not without its complexities, cultural taboos, emotional complexities and evolving aspirations pose unique challenges to continuity. This 2025 report by HSBC Global Private Banking investigates how Asian families are navigating succession, the emotional experiences of successors and the growing trend of next-gen autonomy. Drawing on extensive data across ten markets, the report highlights critical gaps and opportunities in planning and legacy preservation. The key findings of the report are:

1. The Succession Gap: Intentions Outpace Planning

As per data, 78% of global entrepreneurs said they want to keep the business in the family to preserve its legacy. However, 52% admit that they do not have a succession plan in place. This gap is especially pronounced in Taiwan, where only 35% have a plan, followed by Hong Kong (36%) and France (41%), all falling below the global average. In comparison, US entrepreneurs (where 63% have a plan) show better preparedness. The finding reveals a widespread discrepancy between aspirations and preparedness. Cultural reluctance to discuss mortality and succession, common in East Asian societies, combined with generational differences and rapid wealth accumulation, contributes to this inaction. Without a plan, businesses face strategic and operational risks, especially during generational transitions. Establishing structured governance, initiating early dialogue, and consulting advisors are critical steps to bridge this gap (See Exhibit 1).

Exhibit 1:



Source: HSBC Global Private Banking, Family-owned Businesses in Asia: Harmony through Succession Planning, 2025

2. Emotional Dynamics: High Trust in India, Pressure in China & Hong Kong

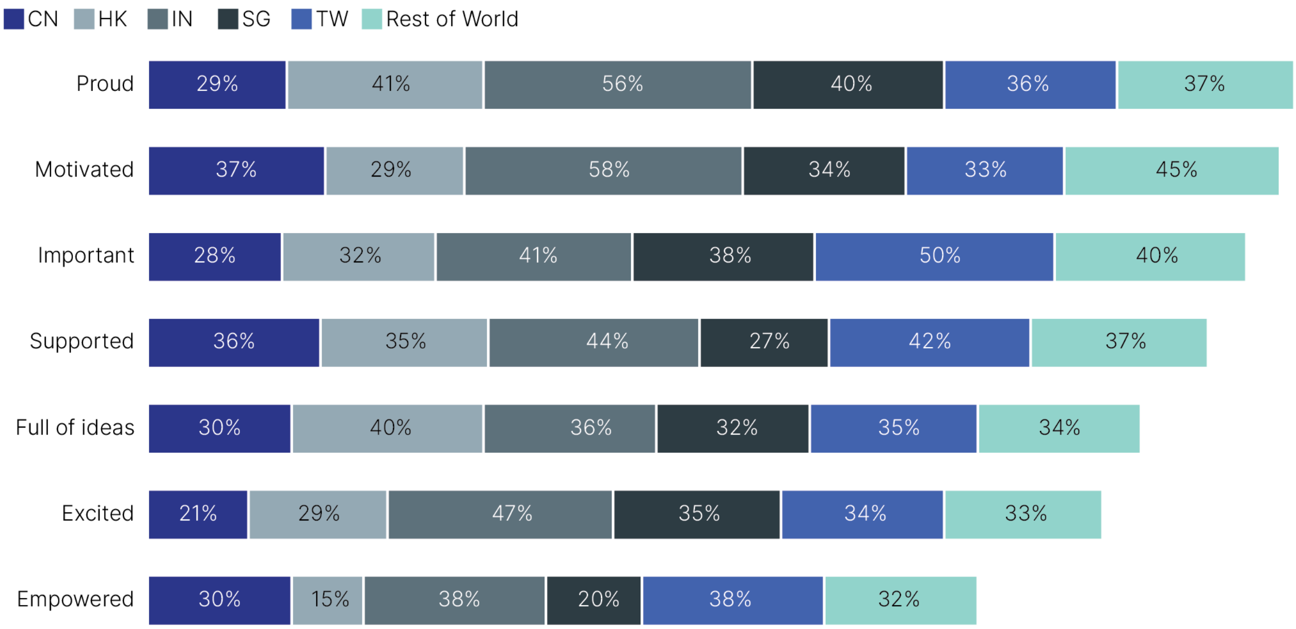
The report illustrates the emotions experienced by successors when they took over family business. 95% of Indian entrepreneurs said they felt trusted by the previous generation, significantly higher than the global average of 81%. Additionally, 92% of Indian respondents said they trust the next generation to uphold family values and culture, compared to 79% across the rest of Asia. In contrast, in Mainland China, 57% of successors reported feeling obligated to take over the business, the highest among surveyed countries. Only 21% in China and 29% in Hong Kong felt excited about this transition, and just 15% in Hong Kong felt empowered during the process.

These findings highlight how cultural expectations and demographic factors (like China's former one-child policy) increase the emotional burden carried by successors. Businesses that recognise these emotional dynamics and implement support systems such as mentorship and role clarity can ease leadership transitions (See Exhibit 2).

Exhibit 2:

Feeling confident

The positive emotions current entrepreneurs experienced when taking on the family business



Base: Entrepreneurs (892); HK (143), IN (95), CN (134), SG (82), TW (86), Rest of world (278) - CH, FR, UK, US

Source: HSBC Global Private Banking, Family-owned Businesses in Asia: Harmony through Succession Planning, 2025

3. Generational Autonomy: Support to Explore Beyond the Business

A regional comparison reveals that 75% of multi-generational entrepreneurs globally feel supported in exploring opportunities outside the family business. India and the UK lead with 83% each, followed by Mainland China (77%), Singapore (73%), Hong Kong (69%), and Taiwan (65%). This marks a cultural shift from expecting heirs to remain within the business to enabling them to pursue independent paths.

Families are increasingly blending legacy with autonomy through dual strategies, running the core business while encouraging new ventures, philanthropy or professionalised wealth structures like Single Family Offices (SFOs). This approach enables next-gen members to gain leadership skills and purpose while maintaining shared values. The data supports the recommendation to nurture independent pursuits alongside legacy preservation (See Exhibit 3).

Exhibit 3:

Exploring new opportunities

Data based on all Entrepreneurs

75% of multi-gen entrepreneurs felt supported to explore opportunities outside the family business when they first took over

Asia

IN	CN	SG	HK	TW
83%	77%	73%	69%	65%

Rest of world

UK	UAE	FR	US	CH
83%	80%	78%	78%	75%

Source: HSBC Global Private Banking, Family-owned Businesses in Asia: Harmony through Succession Planning, 2025

Breaking up Amicably: Leveraging Mediation in Phoenix

Vivek Gupta, Managing Director of Phoenix, a leading Indian textile manufacturer-exporter, beamed at the two women sitting across from him as he showed them a newspaper article announcing the company's bold plan to become a $20 billion enterprise by 2025. His aunt, Preeti Gupta and Mamta Subramanian, family friend and founder of the Advanced Mediation Centre (AMC), had played a pivotal role in making this moment possible.

A decade earlier, in 2012, the family had been deeply divided. For nearly ten years before that, the second-generation members had been locked in conflict. What began as disagreements over business decisions had soon spilled into their personal lives. The sudden death of her brother, Ramkishen Gupta, the company's second-generation chairman, in 2012 forced Preeti to act. It was her dogged determination to seek an amicable resolution, and Subramanian's empathetic, skilled mediatorship, that finally brought peace to the warring factions.

Phoenix was founded in 1969 by Surajmal Gupta, a trained engineer, in Kanpur, after he identified the opportunity to manufacture polyester in India following a visit to DuPont's factories in the US. His eldest son, Ramkishen, an IIT and IIM graduate, joined the business in 1977 after Surajmal suffered a heart attack. The company expanded rapidly through the 1980s, diversifying into garments and exports. Surajmal passed away in 1997. By 1998, all four of his sons had joined the business; the second son, Prem, had passed away in 1995.

However, while the business grew, governance systems did not. There were no structured processes for appraisals, expansion, or investment, which led to internal rifts. Tensions came to a head in 1996, when one brother led a bold but commercially unsuccessful biosynthetics project. The board became divided between those who wanted to continue funding the innovation and those concerned about mounting debt.

By 2004, the conflict had escalated into litigation, with one group filing a case with the Company Law Board (CLB) citing oppression and mismanagement. The litigation dragged on until 2008, when the CLB passed orders enabling partial settlement. Two brothers exited in 2009, leaving Ramkishen and his younger brother, Vinod, to manage the company. But lack of liquidity delayed full implementation of the orders, prolonging the strain.

Vivek, who had not been involved in the business during those tumultuous years, was curious to know how the prolonged conflict had been resolved. Preeti recalled the onerous task of persuading a sceptical family to try mediation. She explained that a mediator would not impose decisions but would facilitate open communication, surface concerns and guide negotiations, unlike litigation and arbitration, which often damage relationships and take control away from the parties. Eventually, after nearly a decade of conflict, an untimely death, health issues and prolonged emotional strain, the family agreed to try mediation.

Subramanian, a seasoned litigator with mediation training, believed deeply in the structured, scientific approach mediation offers. However, she knew that even the appearance of bias could erode trust. Given her long association with the family and her husband's ties to Ramkishen, Subramanian wrestled with the ethics of taking on the role. She initially urged the family to consider other mediators to ensure impartiality. However, no suitable candidate emerged, and her track record at the Supreme Court and in Tamil Nadu courts ultimately convinced the family that she was the right choice.

After the parties and their lawyers agreed to mediation, Subramanian held multiple calls and meetings, both one-on-one and joint, to prepare. A schedule was drawn up, and family members flew in from around the world, setting aside a week to meet at her office, chosen as neutral ground for all.

On the agreed day, the family came together for an intense 40-hour mediation that ultimately led to a settlement. The process was not without challenges: there were moments of frustration, walkouts and impasses. But Subramanian kept them focused, gently reminding them that they didn't want the third generation to inherit the dispute. She created a safe space for each member to examine their role in the conflict without blame and to explore the deeper motivations behind their entrenched positions. By surfacing these core needs and shared values, she helped shift perspectives and foster openness to resolution.

> *A mediator would not impose decisions but would facilitate open communication, surface concerns and guide negotiations—unlike litigation and arbitration, which often damage relationships and take control away from the parties*

To make the settlement possible, Preeti made a generous gesture, giving up part of her inheritance, despite having no stake in the dispute. Later, Subramanian learnt that her brothers had quietly and generously compensated Preeti for her magnanimity. It wasn't as if a magic wand had been waved and every issue resolved, but when they walked out, the family felt a sense of overwhelming relief, and, perhaps for the first time in years, a sense of being a family again.

Over the next eighteen months, Subramanian continued to work with the family to ensure that all agreed terms were fully implemented. Her steady presence reassured the family that the settlement would hold, and that they wouldn't need to return to litigation.

Recalling that anxious time, Vivek, a third-generation member who joined the business in 2015, reflected that every family business should consider creating a family charter, ideally when things are going well, so it can be approached thoughtfully. Subramanian agreed, adding:

"If families turn to mediation before resorting to arbitration or litigation, they can save themselves from long, painful disputes, preserving relationships, and the business itself."

Key Learnings:

- While robust family and corporate governance mechanisms can mitigate the likelihood of disputes, they cannot eliminate them entirely. It is therefore prudent for families to establish structured processes for addressing conflict.
- In family business disputes, the surface issues often mask deeper emotional undercurrents and unaddressed grievances. A skilled mediator can create a safe, neutral space where each family member feels heard, allowing these hidden layers to emerge and be constructively addressed.

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Shashikant Ruia (1943-2024)

Source for photos: Google

Shashikant Ruia, or SNR as he was affectionately referred to by friends, was born on 23 December 1943 into a business family in Mumbai. In pursuit of better business opportunities, the family migrated to Chennai (then called Madras) in the late 1950s. But the untimely death of his father, Nand Kishore Ruia, thrust Shashi into business leadership at just 23, making him the young patriarch of a large family that included his younger brother and six sisters.

He started his entrepreneurial journey with an engineering fabrication business and was arguably the first person in India to get an air conditioner fitted in a car. In many ways, this early venture reflected his penchant for venturing into the unexplored—a hallmark of his career that would see him constantly pushing boundaries and embracing innovation.

In 1969, he founded the Essar Group along with his brother Ravi, starting with a ₹2.5 crore contract from the Madras Port Trust for an outer breakwater. Initially, a construction and engineering company, the firm broadened its scope to include infrastructure development, encompassing bridges, dams and power plants. Essar then went on to expand into the energy sector in the 1980s by acquiring strategic oil and gas assets. In 1991, Essar became India's first independent power producer with the commissioning of a 515 MW combined-cycle power station at Hazira.

The 1990s witnessed further diversification into steel and telecom, including establishing India's second-largest telecom operator in partnership with Hutchison. However, increasing debt required financial restructuring, which involved selling Essar's telecom business, transferring ownership of the refinery to a Rosneft-led consortium, and relinquishing control of the steel mills to ArcelorMittal. The group navigated all these challenges, retiring nearly ₹2 lakh crore of debt and transforming itself to embrace new opportunities.

Shashi and Ravi then focused on expanding their UK-based Stanlow oil refinery, moving towards renewable fuel and hydrogen, restarting iron ore mining in Minnesota, constructing a greenfield steel facility, and ramping up coal bed methane production in West Bengal's Raniganj. Today Essar Global Fund Limited (EGFL), the Ruia brothers' ventures company, is a global investor with diversified assets in energy, metals and mining, infrastructure, technology, and services.

Since his childhood, Shashi displayed a naturally inquisitive mindset and sharp business instincts. He would accompany his father to the family's Shekhawati Gaddi in Zaveri Bazaar, Mumbai—the family's principal seat of business. There, he learnt the nuances of trade and, from an early age, displayed a prodigious insight into the dynamics of banking, commodity trade, foreign trade, and coastal shipping. Reminiscing about this early education, he once remarked in a speech at IIM Ahmedabad that, unlike his MBA graduate listeners, he possessed an even more valuable business degree: MBB, which stood for Marwari by Birth.

Those close to him attribute his success to his childlike enthusiasm, eye for detail, and remarkable ability to connect with people—whether politicians, business leaders, or dockyard workers. He was more frequently found at worksites than in the corporate office at Mahalaxmi. So regular was his presence at the Hazira plant on Sundays that the staff began referring to the day not as Ravivar (the Hindi word for Sunday), but affectionately as Shashivar.

But what set his business legacy truly apart from his peers was how he was able to maintain and sustain family cohesion. While Shashi was widely regarded as the patriarch, he always emphasised that Essar stood for S(hashi)-R(avi), a collaboration that had spanned over six decades. The next generation—Shashi and Ravi's children—continue to follow his lead and manage the group's operations jointly across Mumbai, Delhi, and London.

Ruia was also deeply involved in shaping India's industrial and economic policies through his active participation in national and international trade organisations. He served on the managing committee of the Federation of Indian Chambers of Commerce and Industry (FICCI) and was Chairman of the Indo-US Joint Business Council. He was a former president of the Indian National Shipowners' Association (INSA) and a member of the Prime Minister's Indo-US CEO Forum and India-Japan Business Council.

He once remarked in a speech at IIM Ahmedabad that, unlike his MBA graduate listeners, he possessed an even more valuable business degree: MBB, which stood for Marwari by Birth

In 2007, Ruia joined an elite circle of global changemakers, including Richard Branson, Peter Gabriel, Ray Chambers, Pam Omidyar, Amy Robbins, and Richard Tarlow, as an independent funder of The Elders. The initiative—founded by Nelson Mandela and led by world-renowned figures like Desmond Tutu, Kofi Annan, and Jimmy Carter—is an independent group of global leaders working to tackle the world's biggest problems.

When Shashikant Ruia passed away on 25 November 2024, Prime Minister Narendra Modi paid tribute to him, describing him as a "colossus of Indian business" and acknowledging his transformative impact on the country's industrial growth. He leaves behind a remarkable legacy of entrepreneurship, resilience, and visionary leadership—anchored in the strength of family.

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Dieter Spaelti,
Founder and Principal, LBK Capital Group and Vice – Chairman,
Spectrum Value Management Limited

We Operate in a World of Everything, Everywhere, all at Once

Dr Dieter Spaelti is the founder and principal of LBK Capital Group, a family-owned investment company focused on early-stage ventures. He earned his doctorate in law from the University of Zurich in 1989. He began his career as a credit officer at the Bank of New York before becoming CFO of Tyrolit based out of Innsbruck and Zurich (part of the Swarovski Group) in 1991.

From 1993 to 2001, Dieter was a partner at McKinsey & Company, where he led strategic and operational projects for industrial, financial and technology clients across Europe, the United States, and Southeast Asia. In July 2002, he co-founded Spectrum Value Management Ltd, the Swiss investment vehicle of the Thomas Schmidheiny family, serving first as managing partner and then as CEO from 2006. Following his retirement in May 2021, he transitioned to Vice-Chairman and continues to advise the firm from its board. He also sits on the boards of SCI AG and IHAG Holding in Switzerland, and Alcon (NYSE: ALC) in the United States. In India, he served as a Board member of Edelweiss Financial Services from 2004 to 2007. He was the initiator and "God father" of the Thomas Schmidheiny Chair for Family Business, established in December 2006.

Dieter was also a key speaker at the 9th Asian Invitational Conference on Family Business, held at ISB on 01 – 02 February 2025, under the theme Revitalising the Entrepreneurial Spirit of Business Families. The following are some key takeaways from his talk on Changing Geopolitics and the Emerging World Economic Order.

In this new global order, power is dispersed not only among countries (the U.S., China, India, the EU, Russia, etc.) but also non-state actors—billionaires, NGOs, terrorist organisations, and online movements—all of which shape global outcomes

From a Bipolar World to a Multipolar Order: The Good, the Bad and the Ugly

How has the global power structure shifted since World War II?

If we look back, the end of World War II ushered in a bipolar world, essentially the United States versus the Soviet Union. Then, in 1989, the Berlin Wall fell, and we entered a unipolar era dominated by the United States. But events like 9/11, the global financial

Strengthening resilience strategies and preparing for the unthinkable isn't optional, it's vital for protecting family legacies

crisis, the Arab Spring, the annexation of Crimea, and the COVID-19 pandemic have accelerated a new shift. Today, we live in what some call Globalisation 3.0, a truly multipolar world. In this new global order, power is dispersed not only among countries (the U.S., China, India, the EU, Russia, etc.) but also non-state actors—billionaires, NGOs, terrorist organisations, and online movements—all of which shape global outcomes, making it very challenging for international companies to navigate.

What are the implications of this new global order?

These seismic shifts bring what I call the good, the bad and the ugly:

- The Good: Over the last three decades, global poverty has dropped dramatically; lifespans and literacy have improved; and consumer demand, equity markets, supply-chain stability and inflation indicators are all relatively robust.
- The Bad: Europe is sliding toward an industrial slowdown; China is grappling with structural issues that ripple through global supply chains; and ballooning sovereign debt is unsettling bond markets.
- The Ugly: Geopolitical tensions are in flux; technology is evolving faster than regulation can keep up; and economic fault lines are shifting. Any one of these risks may be manageable alone, but when they converge, the challenge becomes formidable.

India and Family Businesses – Threats and Opportunities

How does the shifting global order affect India and its family businesses?

This multipolar reality presents immense opportunities for India but also significant threats that family businesses must prepare for.
India is uniquely positioned. In the 16th and 17th centuries, India accounted for 20–25 per cent of global GDP, which is similar to the GDP of the United States today. So, when President Trump proclaims, "The golden age starts now," I would argue that the golden age is actually beginning for India.

This multipolar reality presents immense opportunities for India but also significant threats that family businesses must prepare for

More broadly, we operate in a world of everything, everywhere, all at once, a highly dynamic geopolitical environment where the stakes have never been higher.

What can family businesses learn from this environment?

The first ascent of the Matterhorn in 1865 ended in tragedy because climbers never asked, "What do we do if we all fall?" That's our lesson: we cannot ignore environmental risks. Strengthening resilience strategies and preparing for the unthinkable isn't optional, it's vital for protecting family legacies.

What are the implications of these global disruptions for Indian family businesses?

At first glance, India's population of 1.5 billion and vast landmass may suggest some insulation. But in our hyper-connected world, Indian SMEs are not immune to external shocks:

- Global conflicts can spike energy prices or disrupt supply chains, even for locally sourced raw materials.
- Geopolitical tensions often lead to higher tariffs, forcing exporters to absorb costs or lose competitiveness.
- Digital vulnerabilities are on the rise and remote work and online transactions expose SMEs to ransomware and IP theft. India's strong IT sector helps, but many smaller firms lack the resources to secure their systems.
- Polarisation in key export markets like Europe or the U.S. can dampen investor confidence and reduce demand for Indian products.

In this scenario, are there any silver linings for Indian businesses?

India's domestic growth story remains compelling. Improving infrastructure and initiatives like Make in India are attracting global investment, companies such as Apple and Zeiss have already entered Indian markets. In this landscape of converging challenges and opportunities, Indian family businesses can lead not by shielding themselves from change but by embracing it with resilience and local insight.

Six Levers to Navigate Uncertainty and Prepare for the Future

What does it take for family businesses to thrive amid global uncertainty?

Drawing on four decades of board experience at global companies, Holcim, Alcon, Rieter, and my work with the Thomas Schmidheiny family, I have identified six strategic levers that form a practical roadmap for transformation:

Lever 1: People and Culture

It sounds like a no-brainer, but in my experience, it is absolutely key and the foundation of all subsequent levers. Organisations need to hire, retain and develop the best talent at all levels. As Steve Jobs famously said, "A-players hire A-players; B-players hire C-players." It means setting clear goals, providing regular feedback and establishing accountability systems so everyone knows what success looks like and feels motivated to achieve it.

The key part of this puzzle is culture. It is the lens through which every decision is made. When it comes to defining the right culture, there is no one-size-fits-all solution or approach. For instance, at the Swiss Technical University where I'm chairman, the motto we set for one spin-off is "fail fast, learn and adapt." This approach can accelerate innovation and foster agility, but it also carries higher risk. Other organisations might emphasise preserving foundational values, mitigating risk, and ensuring steady growth. So, it's your organisation, your family business, that must decide on its very specific culture.

Lever 2: Diversification

Harry Markowitz famously said that diversification is the only free lunch. Talking of lunch reminds me of a Thali plate, if you'll allow a Swiss guy to use that comparison. Whenever I am in a new region in India and in an unfamiliar restaurant, I order a Thali plate to get a diversified view of the local cuisine. It also presents a higher likelihood that I will like something than when I have to order a single dish. Diversification is a shield against uncertainty. Shape your company with comfortable diversification across clients, geographies, products, and commodities. At Holcim, the global leader in building materials, we were very focused on products: we have cement and ready mix, but we have diversification across geographies.

Lever 3: Smart Capital Allocation

In practice, capital allocation has four elements. The first, and the foundation of all following elements, is to keep a conservative balance sheet, with enough cash and low debt levels. I have seen too many companies focus just on the income statement or balance sheet, but not on cash flow. This is not only for emergencies but also for opportunities, especially when we talk about external innovation or M&A.

> *Diversification is a shield against uncertainty. Shape your company with comfortable diversification across clients, geographies, products, and commodities*

Second, organic investment, in R&D and innovation capex. At Holcim, cement has a heavy CO_2 footprint, so we developed strong R&D centres to become leaders in sustainable building materials with a lower CO_2 footprint. Third, look beyond your own walls through M&A, JVs and external innovation. Fourth, once the business is well-capitalised, think about returning value to shareholders and family members, without compromising the company's ability to respond to future crises or opportunities. In short, your capital allocation strategy can be the difference between merely surviving or turning a crisis into opportunity.

Lever 4: Innovation and Agility

Be proactive in transforming and reinventing the business and its products and services ahead of the curve, as innovation is a key driver of value creation. The Austrian economist Joseph Schumpeter's concept of creative destruction remains central to this idea. Businesses must reinvent themselves or risk irrelevance. A great example is the company where I have been on the board for over 15 years. Rieter, founded in 1795 in Switzerland, shifted from trading cotton and spices to making machinery, turbines, spinning and weaving equipment. At one point, they even produced rifles and ran a big automotive business, which they later spun off.

Sometimes the best sources of insights are right under your nose, your customers and your employees. They interact with your product, your competitors, and the market every day, giving them a unique vantage point on what's working, what's not and where opportunities may lie

Likewise, Orell Füssli, founded in 1519, evolved from a printing house into a leader in digital identification. And while it may be debated, SpaceX is a powerful modern example of rapid innovation. In just 20 years, it has fundamentally reshaped the aerospace sector. Innovation isn't just about age or industry, it's about mindset.

Lever 5: Localisation

Localisation is more than translating product labels or tweaking advertising. It's about tapping into local culture, consumer preferences, and business practices to create something that truly resonates. McDonald's in India didn't just adapt its menu, it embraced local culture with hits like the McAloo Tikki burger.

Another example is Ihag Holding AG, where I've served as Vice-Chairman for 22 years. In 2011, they set out to build a discount retail chain in Colombia called "D1", partnering with the Santo Domingo family, to leverage their local market expertise and network. This remarkable expansion hinged on blending international expertise in discount retailing with deep local insights into consumer preferences, logistics, and the regulatory environment. Encouraged by this success, Ihag Holding replicated the model in the Philippines in 2019 through a partnership with the Gokongwei family, achieving approximately USD 300 million in annual sales. They then entered the Indonesian market in 2023 with a local family partner, and by 2024 expanded the concept into Nigeria. Thus proving that pairing global know-how with local roots drives extraordinary growth.

Lever 6: Foresight

Foresight is all about anticipating what's around the corner before your competition does. That sounds sophisticated, but it doesn't have to be. You don't need a crystal ball or a massive consulting budget to do it effectively. Sometimes the best sources of insights are right under your nose, your customers and your employees. They interact with your product, your competitors, and the market every day, giving them a unique vantage point on what's working, what's not and where opportunities may lie.

My grandfather, Richard Spaelti, illustrated this perfectly. He journeyed from Switzerland to India in the 1930s to sell locomotives, and more importantly, to listen. His deep understanding of local needs helped the company sell over 30 locomotives, one of which still stands in the Railway Museum of India. This success came from blending technical skill with market insight. Today, I see scenario planning as a modern extension of that mindset, anticipating "what ifs" and preparing for multiple futures. As Marc Benioff, CEO of Salesforce, has put it: "You need to get to the future ahead of your customers and be ready to greet them when they arrive."

Final Reflections: From Strategy to Culture, and the Discipline to Endure

What red flags do you watch for when joining a board or investing?

When I join a board or invest in companies, I look at the people and the culture. Are they risk-takers or overly cautious? That tells me a lot. If they embrace risk, I examine the financials. A healthy balance sheet and strong cash flow are non-negotiable. Over the last 20–30 years, I've learned that liquidity and low debt give you the resilience to navigate crises, whether it's the dot-com bubble, the global financial crisis or a geopolitical conflict.

How can Indian businesses better exploit micro-markets and local diversity?

In Switzerland, many companies like Novartis and Nestlé had to go global early because their home markets were too small. They learned discipline in strategy and execution. In India, moving from one state to another can feel like crossing borders, it involves different languages, regulations, and consumer behaviours. By embracing this internal diversity, Indian firms can build the muscle to compete internationally. I'm encouraged when I see Indian companies with 10–20 per cent of revenues from exports, it shows Indian businesses are stepping onto the world stage and sharpening their competitiveness.

What cultural differences do you observe between European and Indian family businesses?

It reminds me of my marriage to my Indian wife of 35 years. In the initial years, I would say "dinner at 7:30," and relatives would arrive at 9:30! Over time, we established that "7:30" really meant sometime between 7:30 and 8.

Jokes aside, Europeans, especially the Swiss and Germans, tend to be very direct: "This works. That doesn't." Indian communication is more nuanced

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and diplomatic. You often need to read between the lines to grasp what's truly being said. Neither style is better; understanding both is crucial for cross-cultural collaboration.

Any concluding reflections?

I'd emphasise pairing the six levers with robust action plans, a solid governance framework, and a strong alignment between family and management. Even the best ideas can falter without clear accountability. And while uncertainties abound, don't let negativity freeze you in inaction. History is full of examples where leaders turned threats into opportunities by embracing change with optimism and determination. Great businesses not only survive — they thrive.

Puneet Agarwal,
President,
CJ Darcl Logistics Limited

Technology should Amplify Rather than Replace Human Relationships

Puneet Agarwal is a seasoned logistics leader with over 20 years of experience in transforming supply chain operations across India. He currently serves as President at CJ Darcl, a ₹4,000+ crore logistics powerhouse, and is the CEO & Co-founder of Fretron, India's fastest-growing Transport Management System (TMS) platform. He is also the Co-founder of Daffodil Software Ltd; a leading IT services and consulting firm. Puneet holds an Executive MBA from the Indian School of Business.

Having witnessed firsthand the challenges of scaling logistics in the digital age, Puneet developed the SHIP IT RIGHT framework, a first-principles approach designed to simplify and optimise logistics operations. Today, this framework powers over 100 top brands, managing millions of shipments and delivering freight cost savings exceeding ₹400 crore, across a cumulative freight spend of more than ₹10,000 crore.

In addition to his leadership roles, Puneet is an active mentor and angel investor in early-stage ventures across FreightTech, PropTech and FinTech, where he helps guide the next generation of innovators and entrepreneurs.

What were some pivotal moments in your journey where you had to make tough choices that shaped the future of CJ Darcl?

Three decisions fundamentally shaped our trajectory. First, choosing to join CJ Darcl rather than continuing my technology startup with my brother. While the startup wasn't performing well, joining the family business meant taking ownership of our technological transformation, a decision that proved crucial as logistics digitisation became industry-defining.

Second, introducing governance discipline and performance metrics in our 2007 private equity partnership. Family businesses rarely do that. This wasn't just capital infusion; it was organisational maturation. Structured planning, capital budgeting and performance reviews transformed us from an intuition-driven to a systems-driven decision maker.

Third, our 2017 strategic partnership with CJ Logistics of South Korea represented our evolution from a local family enterprise to a global logistics player. This required balancing family control with international expertise, a delicate equilibrium that has strengthened rather than diluted our family values.

Can you share key initiatives you led that brought significant transformation or competitive advantage to the company?

My primary contribution centred on comprehensive digital transformation, from booking to payment collection. We pioneered SAP implementation in Indian logistics, developing a Transportation Management System now operating across 200 branches. This wasn't just technology adoption, but was a reimagining of logistics operations through systems thinking.

> *Modernisation serves legacy preservation. Our customers face intense competitive pressure, so helping them compete effectively through our enhanced capabilities honours our foundational commitment to customer success*

We revolutionised vendor engagement through WhatsApp-based bidding for available loads, transforming us into a tech-enabled fleet aggregator. In sectors like steel, petrochemicals and project logistics, where we now hold leadership positions, this digital edge delivers a measurable competitive advantage.

Beyond technology, I introduced strategic focus disciplines learned from my executive education, defining where to play and how to win. We specialised in stainless steel vehicle bodies, improving asset economics while differentiating our value proposition. Our systematic approach to process refinement across all organisational levels has delivered industry-leading receivables cycles and operational efficiency.

How did your background in computer science influence your approach to driving digital innovation within a traditionally run logistics business?

Computer science provided the mental framework to look at logistics as a systems optimisation problem rather than just a transportation business. When I joined, everything was paper-based. Transactions were recorded in branches and then physically sent to headquarters for data entry. I implemented real-time online transaction systems, recognising that information velocity translates into competitive advantage.

My technical background also enabled progressive adoption, mobile interfaces when smartphones proliferated, GPS tracking systems when that technology matured, and now AI applications for fleet routing and customer service chatbots. For me, a key insight here was that technology should amplify rather than replace human relationships that define the success of a family business.

This systems perspective helped identify inefficiencies invisible to traditional logistics thinking. We weren't just moving goods; we were optimising information flow, resource allocation and stakeholder coordination through technological leverage.

What role did your ISB experience play in preparing you for leadership and managing change in a complex family-run enterprise?

ISB's family business coursework provided crucial mental models for role clarity. With 11 family members in our business, role confusion between family members, shareholders and executives was constant. ISB taught me to compartmentalise these identities and navigate their inherent tensions.

The structured approach to family governance, distinguishing business decisions from family dynamics, was transformational. We are now implementing family boards and councils to handle family-related concerns that are separate from operational management, ensuring professional decision-making while honouring family values.

ISB also reinforced the importance of external accountability. The presence of private equity partners had already introduced some governance discipline, but ISB provided frameworks for systematic professionalisation while maintaining family control.

How have you balanced the expectations of legacy with the need to modernise operations and strategy in a fast-changing industry?

I have never experienced conflict between honouring legacy and modernising operations. Our third-generation family values, customer centricity, integrity, social contribution, employee welfare, actually drive modernisation imperatives. Serving customers better demands the adoption of the latest industry practices and technologies.

Our elder generation has been remarkably supportive of modernisation initiatives, recognising that preserving family values requires evolving our capabilities. Professional management structures and family values are not opposing forces; they are complementary systems that strengthen each other.

Modernisation serves legacy preservation. Our customers face intense competitive pressure, so helping them compete effectively through our enhanced capabilities honours our foundational commitment to customer success.

> ***Second, embrace focused excellence over diversified mediocrity. Choose specific areas where you can deliver exceptional customer value rather than attempting everything simultaneously***

You've also been active as an angel investor, how has that perspective informed your leadership at CJ Darcl and your views on innovation?

Angel investing exposed me to startup velocity, their laser focus on specific customer segments, compelling value propositions and aggressive scaling strategies. Traditional enterprises like ours typically lack this focused intensity.

I've imported this startup mindset: identifying precise customer use cases, building compelling solutions, and accelerating implementation. This approach has shifted our culture from cautious incrementalism to strategic boldness while maintaining family business relationship advantages.

What advice would you offer to other next-generation members in family businesses who want to lead with impact while staying true to their roots?

First, avoid my early mistake of over-focusing on internal operations. Direct customer exposure is essential, understanding their needs, challenges and changing expectations. This customer centricity drives meaningful innovation rather than technology for its own sake.

Second, embrace focused excellence over diversified mediocrity. Choose specific areas where you can deliver exceptional customer value rather than attempting everything simultaneously.

Third, recognise that attracting competent professionals provides the highest organisational leverage. Create environments where talented people thrive. The smartest thing a family business owner can do is acknowledge they are not the smartest person to run every aspect of the business. This humility enables organisational capability that transcends individual limitations.

Mourya Boda,
Chairperson,
Brilliant Bio Pharma Private Limited

Leading with Purpose in Animal Biotechnology

Mourya Boda is the Chairperson of Brilliant Bio Pharma Private Limited, a Hyderabad-based biopharmaceutical leader in the veterinary vaccine space. Armed with a Master's in Business Administration and a Bachelor's in Law; she brings a rare blend of legal insight and business strategy to the table. Under her stewardship, Brilliant Bio Pharma has evolved into one of Asia's largest BSL-3 vaccine manufacturing facilities, with an annual capacity of over 300 million doses.

Mourya is also a prominent voice in industry forums, serving on the governing bodies of Blue Cross Hyderabad and FLO Delhi, while holding the position of Honorary Convenor, South India Affairs at EHSAAS: Women of India, an initiative of the Prabha Khaitan Foundation. Her contributions have earned global recognition, including the IWEC Award in Istanbul and the Pharma Leaders Innovative Women, Biotech Leader Award.

Can you share your journey of entering the family business, what helped you find your footing, and what obstacles did you face?

I was the first woman from both my family and community to enter the business. There was no roadmap or grooming; I simply stepped in with a desire to build my own professional identity. I had always excelled in academics and leadership roles, and with my mother's constant encouragement, I was comfortable taking initiative.

> *Early on, I understood the importance of team building, both at work and at home. My household had to work around my schedule*

As the youngest in the family, I initially visited different departments in my father's company to understand the workings, and within each department, everyone had a specific role assigned. Initially, a senior manager was assigned to guide me. I shadowed him, learning how to present to my father. I made detailed notes, discussed my ideas with my father, and refined them before proposing decisions. Over time, I discovered my style, which is a mix of my father's patience and my brother's fast-paced drive, combined with my data-driven, results-oriented approach.

After getting married at 21, I relocated to Hyderabad and took charge of a startup opportunity within the business, separate from the core operations. It was a steep learning curve. My father maintained a clear boundary between family and business, insisting that decisions should benefit the company. While supportive and encouraging, he was a tough boss who often rejected my ideas if someone else's proposal was stronger. He was data driven and expected the same rigour.

A key turning point came during a critical Foot and mouth disease vaccine (FMD) vaccine event nearly a decade ago when I made a high-stakes decision independently. Since then, I've taken full charge of operations, though I continue to seek guidance from my father when needed.

What were some key challenges you faced balancing work and family life, and how did you manage them over the years?

I became a mother at 23 and was managing multiple roles: wife, mother, daughter-in-law, entrepreneur, all while adjusting to a new city and building a business from scratch. Early on, I understood the importance of team building, both at work and at home. My household had to work around my schedule. Even when I was busy with work, I made it a point to balance my household responsibilities. Seeing my husband and son happy made it all worthwhile.

It was a stressful period, but I managed it well. While I did have to sacrifice fun and social life, I never regretted it and enjoyed every bit of those challenges. My son and husband were both very supportive. My son was raised with the right values, and he has always been understanding of my commitments. He is also preparing to join the business in the future

How has being part of national forums and industry bodies helped your growth, and how can other women benefit from similar platforms?

Coming from a background where women rarely engaged in business, I was actively looking for a space to learn and grow. FICCI FLO offered that platform. I benefited greatly from conversations with senior members, observing them, and receiving their guidance.

I was the youngest participant in a group of six hundred; however, as a keen and fast learner, I embraced the opportunity to take on a leadership role at FICCI FLO as a valuable learning experience. This exposure, combined with the responsibilities of leadership, boosted my confidence and broadened my perspective.

How did you build your credibility as a woman leader, both within your business and through your roles in organisations like FICCI FLO?

Motherhood and entrepreneurship may seem like competing identities, but I found them complementary. My drive for excellence has been consistent. I worked hard, observing my father, my mentor, and other leaders closely. To foster innovation and teamwork, I made a point of personally engaging with team members at every level. As the company's performance improved, my confidence grew, and I gradually stepped out of my father's shadow, carving out my own identity and independence. Though we had disagreements, my father eventually stepped back and let me lead the way I envisioned.

You've built a strong people-first culture at Brilliant Bio Pharma, rooted in trust capital and shared values. How have you successfully integrated this human-centric approach with the rigorous innovation and operational demands of the animal health industry?

One of my key observations was how the culture in a city like Hyderabad differed from my hometown of Kurnool. I noticed that, normally, a managerial-level employee did not interact with the housekeeping staff. At Brilliant, I've worked to change that. I focus on nurturing loyalty, valuing empathy and personal connections beyond hierarchy, and staying approachable. This value system, born from a mix of traditional grounding and modern business strategy, has shaped the company's unique culture. Motivated people who collaborate as a team drive success. My journey has been discovery-driven, shaped by experiments, failures, and lessons that have defined both my family values and the company's culture. I am committed to building Brilliant into one of the best companies, not just in India, but globally.

Brilliant's growth story reflects a deep commitment to both innovation and people. How have you cultivated a workplace environment that consistently inspires creativity and accountability across teams, particularly in a science-driven and cost-sensitive industry like animal biotechnology?

My leadership philosophy balances patience with results orientation and data-driven decision-making, much like my father's approach, which incorporates compassion. While he inspired me early on, I eventually developed my style and independent thought process. He granted me the freedom to pursue my path rather than imposing his views.

We operate in a sector where cost-efficiency is critical, yet our primary investment is in talent. Hiring is just the beginning; training and nurturing our people is where our real effort goes. We take it upon ourselves that when we onboard new employees; it is our responsibility to nurture them to fit our team's culture and needs. Building and nurturing a strong team has always been a priority.

What advice would you give to young women in family businesses who are trying to grow as leaders while managing traditional expectations?

I've observed that nowadays, many youngsters waste too much time before taking business seriously. My advice is simple: Start early. Don't wait to take business seriously. Passion, discipline, and hard work are non-negotiable. When you show initiative, results follow. Prioritise work and family over everything else.

I believe in drive, taking initiative, and having a passion to win. I work very hard, network, and continuously learn from others. Networking and staying connected are key to growth.

I noticed that, normally, a managerial-level employee did not interact with the housekeeping staff. At Brilliant, I've worked to change that

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Raches Ella,
Chief Development Officer, Bharat Biotech and
Head, Global Product Development Division

Earn your Mandate Twice—First Outside, then Inside

Our legacy is a social contract, affordable access to life-saving vaccines for the Global South. My vision is to add a second engine, namely deep-tech

Dr Raches Ella is the Chief Development Officer of Bharat Biotech and head of its Global Product Development division, where he oversees the discovery, clinical development, regulatory approval and post marketing commitments for an extensive vaccine portfolio including rotavirus, COVID 19, typhoid, influenza, dengue, Zika and chikungunya. A clinically trained physician and scientist, Dr Ella earned his medical and public health credentials at Emory and Johns Hopkins Universities and refined his strategic leadership at Harvard Business School.

In his prior role as Project Lead, he was instrumental in bringing two COVID 19 vaccines, COVAXIN and iNCOVACC, through development and into global deployment. He has forged key collaborations with GAVI, WHO and UNICEF to ensure broad access to life-saving immunisations. Dr Ella's research has appeared in high impact journals such as The Lancet and Nature, and he is deeply committed to leveraging biologic product innovation, rigorous clinical research and frugal engineering to deliver scalable, equitable solutions for global health and well-being.

How did you get involved in Bharat Biotech, and what steps did you take to bring fresh ideas and growth to the business?

Born in Madison, Wisconsin, to a Rotary Scholar molecular biologist father far from his farming roots, and an award-winning entrepreneurial mother, I draw from humble antecedents. My father, a University Professor, moved us back to India in 1996 to create Bharat Biotech. He developed a novel diarrhoeal vaccine for Rotavirus with an $85 million grant from the National Institute of Health and the Gates Foundation.

I humourously say that my journey with Bharat Biotech started long before I got my first official job title: our family's original "research lab" was right at our dining table! I grew up alongside Bharat, steeped in a family work ethic wherein home and work were interchangeable.

Perhaps because of the life-saving work I saw around me, throughout my scientific and medical career, I have been drawn to serving underserved populations. For example, I advocated for the installation of defibrillators during hospital rotations in India, conducted field research studies in Kenya's largest slum, and evaluated health discrepancies among Native Americans in Navajo Nation, where American Indians are three times more likely to acquire infectious diseases. Global public health is my calling card.

Following my medical studies in Chennai, a Master's in Clinical Research at Emory, a Post-Doctoral Fellowship at Johns Hopkins, and an MBA from Harvard Business School, I returned to the company during a critical period, the onset of COVID-19. I stepped up to lead the development of COVAXIN™ and later iNCOVACC™, coordinating cross-functional teams to condense a typical seven year vaccine development timeline into just nine intense months. In tandem with this effort, I established a structured technology-scouting programme, secured platform partnerships (such as our intranasal COVID-19 vaccine), and initiated a data science team to oversee portfolio allocation for thirty candidate vaccines and biologics. These initiatives opened new revenue streams, doubled our R&D productivity, and, crucially, demonstrated that an Indian firm can innovate rather than imitate.

How did you go about establishing your own identity within the family business?

Working in a company that bears your surname is a privilege wrapped in double-edged expectations. The first hurdle was internal: some colleagues understandably wondered whether the twenty-something boss's son had earned his stripes. I addressed that scepticism by choosing to tackle the toughest P&L problems, clinical programme delays, WHO pre-qualification bottlenecks, and framing every decision with data that anyone on the shop floor could challenge. During the BBV152 Phase III trial, for instance, when a volunteer's death triggered intense media scrutiny, I insisted on publishing our entire protocol and safety dataset in The Lancet within four weeks. Transparency became my currency of credibility.

Externally, I had to avoid being

Our co-development collaborations now extend across five continents, from creating the world's first indigenous rotavirus vaccine with the National Institutes of Health to partnering with GSK on the world's first malaria vaccine, and working with Biofabri, a leading candidate for the tuberculosis vaccine

> *Our legacy is a social contract, affordable access to life-saving vaccines for the Global South. My vision is to add a second engine, namely deep-tech innovation, that can compete in the US-EU while cross-subsidising emerging markets*

typecast as merely an inheritor of success. Harvard helped: the case study I co-authored on managing serious adverse events placed me under the same microscope as any founder-CEO cohort, forcing me to articulate first-principles strategy in front of peers who had no stake in family diplomacy.

Do you ever find your strategic vision at odds with your family firm's legacy, and if so, how do you address that tension?

Our legacy is a social contract, affordable access to life-saving vaccines for the Global South. My vision is to add a second engine, namely deep-tech innovation, that can compete in the US-EU while cross-subsidising emerging markets. Tensions surface daily as investing in capsid-engineered gene-therapy vectors is capital-intensive and carries long timelines, whereas our traditional cash cows (oral polio, rotavirus, typhoid, rabies) thrive on lean manufacturing.

I have learned to reconcile the two by adopting a two-pronged portfolio. We keep high-volume essential vaccines in-house for cost leverage, spin risky moon-shots into focused subsidiaries like Sapigen Biologix (a dedicated vaccine-CDMO) that can attract external capital without burdening the mothership. Decision rights are consensus-driven and ingrained into our governance charter that we drafted during my MBA, dividing roles among owners, the operating board, and independent scientists, to prevent passion projects (including mine) from bypassing hurdle rate discipline (the latter must always exceed our cost of capital).

How do you build and maintain trust with both family stakeholders and your broader teams across the business?

With four key sectors, Human/ Veterinary Vaccines, Contract Research, Consumer Goods and Asset Management, meritocracy and the reduction of information asymmetry are our top priorities. We have decided to implement quarterly reviews for the family business. Our single LP-owned asset management division, Skegen Asset Management, manages ₹2,100 crore in assets under management (AUM) and has no family members in operational positions to ensure we are benchmarked against industry-leading funds and also attract top talent.

While traditional accounting textbooks classify salaries and wages as liabilities, I position my tangible contra accounts in the asset category. I have emphasised psychological safety: during the COVID pandemic, 40% of our workforce was required to work on-site, prompting us to implement twice-weekly PCR testing and split shifts to minimise exposure. My next objective is to rename our HR (Human Resources) department as HC for Human Capital. I actively communicate with my teams to enhance engagement, foster socialisation, and promote talent development across our group companies.

What major structural shifts do you anticipate in biotech and healthcare?

India has a long way to go when it comes to supporting innovation. Looking ahead, I see three structural waves reshaping biotech and healthcare:

1. The convergence of human and animal health (One Health). Zoonotic spillovers are becoming more frequent; our animal health company, Biovet, India's largest veterinary vaccine company, positions us to create dual-benefit vaccines, reducing both livestock losses and human and animal

pandemic risk.
2. Personalised medicines with cell and gene therapies. Prices will fall as technology advances; hence, we are investing ₹100 crore to establish India's first vertically integrated GMP-ready cell and gene therapy company.
3. AI-driven target detection will upend antigen selection and regulatory science. We now partner with one Indian deep-tech start-up to integrate with wet-lab validation, cutting candidate screening time by half.

That diversification hedges against policy shocks, such as price caps on routine vaccines, while keeping us relevant to breakthrough science.

What impact can innovation and global partnerships have on shaping this industry's future?

Clayton Christensen's theory of disruption from Harvard Business School explains how new market entrants initially focus on the low-end segment with affordable options before progressively moving up the value chain. Indian pharmaceutical companies have successfully navigated this path, shining in the areas of low-cost generics, reverse engineering and process optimisation. Nevertheless, the industry faces difficulties in shifting from low-end disruption to high-value innovation.

For Bharat Biotech, innovation is crucial for future growth. However, advancements in vaccines seldom occur in isolation; they thrive within networks. Our co-development collaborations now extend across five continents, from creating the world's first indigenous rotavirus vaccine with the National Institutes of Health to partnering with GSK on the world's first malaria vaccine, and working with Biofabri, a leading candidate for the tuberculosis vaccine. These partnerships provide us access to groundbreaking science and the regulatory frameworks necessary to expedite our goal of obtaining US FDA and EMA product registrations by 2028. Additionally, they enable our partners to benefit from our frugal engineering and our capacity for producing one billion doses annually. Therefore, it doubles as diplomacy: every successful co-development chips away at the outdated stereotype that emerging-market firms only make generics.

What key advice would you offer to the next generation of family enterprise leaders?

1. Earn your mandate twice, first outside, then inside. External jobs vaccinate you against impostor syndrome.
2. Align on governance early. A clear constitution protects relationships when the stakes rise. Fight against information asymmetry. Don't claim value but share it. The discipline of board charters and family councils may feel corporate, but it prevents Sunday lunch from becoming an AGM.
3. Speak in data, not deference. Respect tradition, but test it with metrics. Your credibility compounds when you prove that new proposals outperform legacy approaches on objective KPIs.
4. Anchor purpose beyond profit.

When I walk through our filling line today and see vials destined for Nigeria or Bolivia, I'm reminded that my family enterprise can do more than steward wealth, it can shape the world's health. My generation's task is to preserve that mission and pass down my parents' tacit knowledge to the subsequent generation, all while subjecting it to the rigour of global competition. ●

My generation's task is to preserve that mission and pass down my parents' tacit knowledge to the subsequent generation, all while subjecting it to the rigour of global competition

The LEGO Group: How a Family's Values Built the World's Most Resilient Toy Company

Source for photos: www.legoland.com

A Legacy Built Brick by Brick

In the quiet Danish town of Billund, where the LEGO Group's headquarters still stand today, a wooden sign hangs in the original workshop bearing founder Ole Kirk Kristiansen's motto: "Only the best is good enough." This simple phrase encapsulates the philosophy that has guided five generations of the Kristiansen family through war, bankruptcy, and digital disruption. What began as a small carpenter's workshop in 1932 has grown into the world's most valuable toy brand, with revenues exceeding $9 billion in 2023 (LEGO Group, 2023). Unlike most toy companies that have been acquired by conglomerates, LEGO remains 100% family-owned, a testament to the Kristiansen family's commitment to their values and long-term vision.

The LEGO story is not just about colourful plastic bricks. It is a masterclass in how family businesses can balance tradition with innovation, survive generational transitions, and turn existential crises into opportunities. From its humble beginnings as a wooden toy workshop to its current status as a global powerhouse, LEGO's journey offers invaluable lessons for family enterprises everywhere.

Chapter 1: From Ashes to Innovation (1932-1958)

The LEGO Group's origin story is one of resilience and reinvention. Ole Kirk

> *Unlike most toy companies that have been acquired by conglomerates, LEGO remains 100% family-owned—a testament to the Kristiansen family's commitment to their values and long-term vision*

Kristiansen, a master carpenter, started making wooden toys in 1932 after his furniture business collapsed during the Great Depression. His early products, like yo-yos, piggy banks, and wooden ducks, were simple but meticulously crafted. Each toy bore his signature quality, a reflection of his belief that children deserved only the best.

The first major crisis struck in 1942 when a fire destroyed the entire workshop. Rather than give up, Ole rebuilt with an eye towards the future. His decision to invest in Denmark's first plastic injection moulding machine in 1946 seemed reckless to many, after all, plastic was considered cheap and inferior in postwar Europe. But Ole saw its potential.

His son Godtfred, who had joined the business as a 12-year-old sweeping floors, would later revolutionise the toy industry in his own right. In 1958, the same year Ole died, Godtfred patented the modern LEGO brick design with its iconic interlocking tubes. This wasn't just a product innovation, it was the birth of the LEGO System in Play, a revolutionary concept that allowed every brick, no matter when produced, to fit with every other. This idea of endless possibilities would become the foundation of LEGO's global success.

Chapter 2: The Golden Age and Hidden Struggles (1960-1998)

The 1960s and 70s were LEGO's golden age. The company introduced themed sets like LEGO Town and Space, captivating children's imaginations worldwide. In 1968, the family opened the first LEGOLAND park in Billund, which quickly became Denmark's top tourist attraction, drawing more visitors than the iconic Little Mermaid statue in Copenhagen (Bender, 2019). Behind the scenes, however, the Kristiansen family was making calculated decisions that would prove crucial decades later.

Kjeld Kirk Kristiansen, Godtfred's son, took over in 1979 and made two strategic moves that would shape LEGO's future. First, he established the LEGO Foundation to fund child development research, ensuring the company stayed true to its educational roots. Second, he maintained the family's policy of zero debt, a conservative approach that gave LEGO unparalleled financial stability.

But storm clouds were gathering. By the mid-1990s, LEGO faced slowing sales as children shifted to video games. The family's response, diversifying into theme parks, clothing lines, and even a failed children's TV show called Galidor, nearly bankrupted the company. The once-proud family business was losing $1 million per day by 2003, and industry analysts predicted its inevitable sale to a competitor (Robertson, 2013).

Chapter 3: The Turnaround (1999-2015)

The early 2000s marked LEGO's darkest hour. Faced with mounting losses, Kjeld made the humbling but

Faced with mounting losses, Kjeld made the humbling but courageous decision to step aside as CEO, bringing in outsider Jørgen Vig Knudstorp to lead a radical restructuring courageous decision to step aside as CEO, bringing in outsider Jørgen Vig Knudstorp to lead a radical restructuring. Knudstorp's revival strategy focused on returning to LEGO's core strengths.

The company discontinued 94% of its product lines, including many of the failed diversifications. It rehired retired brick designers to restore quality and doubled down on licenced partnerships, such as Star Wars and Harry Potter, which generated $500 million annually by 2010. LEGO also embraced digital innovation, launching the LEGO Ideas platform in 2008 to crowdsource designs from adult fans.

By 2015, LEGO's profits had surpassed those of Hasbro, proving that family businesses could outmaneuver publicly traded rivals (Statista, 2023). The Kristiansen family's willingness to adapt while staying true to their values had saved the company.

As the Kristiansen family looks to the future, their story serves as a reminder that with vision, adaptability, and unwavering commitment, family businesses can build legacies that endure for generations

Chapter 4: Building the Future (2016-Present)

Today, under fourth-generation chairman Thomas Kirk Kristiansen, LEGO is navigating new challenges. Sustainability has become a key focus, with a $400 million investment in plant-based bricks and a pledge to achieve carbon-neutral manufacturing by 2026 (LEGO Group, 2021). The company is also embracing digital transformation, partnering with Epic Games to explore metaverse experiences and developing AR-enabled sets that blend physical and digital play.

Family governance remains central to LEGO's success. The family has worked with the Swiss IMD business school to develop a family constitution and make sure that each generation becomes engaged with LEGO (Milne, 2023). Fifth-generation members are completing rotational training programs, and the LEGO Foundation maintains a 25% ownership stake as the "guardian of values." Thomas has set up a LEGO school, which aims to instil in family members the values and challenges of being a toy maker, as well as to familiarise them with the specificities of running a family business. "It is simply about equipping them and preparing them as well as we can. It is done in a very playful way so they think it's fun and want to take an active owner role in the future," he explains (Milne, 2023).

Conclusion: A Legacy of Resilience

The LEGO Group's extraordinary journey offers timeless lessons for family businesses. It demonstrates the power of staying true to core values while embracing change, the importance of professionalising without losing family identity, and the need to balance tradition with innovation. As the Kristiansen family looks to the future, their story serves as a reminder that with vision, adaptability, and unwavering commitment, family businesses can build legacies that endure for generations.

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Threads of Time: The Handcrafted Legacy of the Jan Family's Royal Caps

Photos source: The Citizen

In the winding lanes of Nawan Bazar in Srinagar (the summer capital of Jammu and Kashmir) tradition lingers quietly, sewn delicately into fabric and passed from one generation to the next. At the heart of this enduring craft stands Jan Cap House, one of the Kashmir Valley's most storied family-run workshops. For over 125 years, this heritage enterprise has preserved a rare cultural legacy, where artistry, honour and identity converge beneath the soft, curled silhouette of a single handcrafted cap.

Locally known as the Qaraquli, the cap is more than an attire; it is an emblem of dignity. Crafted from the distinctive fleece of the fat-tailed Karakul sheep, native to Central Asia's Bukhara region, the hat is prized for its velvety texture, glossy sheen and distinctive silhouette. The name Karakul, meaning 'black fur' in Uzbek, speaks to the deep heritage embedded in every thread. Traditionally worn by Muslim men across Central and South Asia, the Karakul cap is especially revered in Kashmir, where it once crowned kings and today graces the heads of grooms, statesmen and admirers of timeless craftsmanship.

Among the most storied custodians of this legacy is Jan Cap House, one of the Valley's oldest surviving family-run enterprises. Established in the early 20th century and based in a modest storefront in Srinagar's old city, the business has weathered time with quiet dignity. In a world racing towards mass production, Jan Cap House, now in its fourth generation, stands apart by crafting each cap by hand, with patience and pride in every stitch.

The tradition began in the family home with Ahmad Jan, and was successively carried forward by his son Ghulam Jan, followed by Ghulam Mohammad Jan. Today, Muzaffar Jan, the great-grandson of the founder, leads the enterprise, preserving and evolving the family's time honoured craftsmanship. Continuing this legacy not only pays tribute to his forebears but also sustains a uniquely Kashmiri art form, one that speaks through every fold, thread and silhouette shaped by the Jan family's hands.

The legacy of the Jan cap is deeply woven into the history of modern South Asia. In 1944, a Karakul cap crafted by Muzaffar's grandfather was worn by Muhammad Ali Jinnah. Muzaffar recalls another significant chapter:

"In 1984, during Rajiv Gandhi's tenure as Prime Minister of India, my father made a special cap for him when he visited Kashmir. Despite heavy snowfall and blocked roads, my father walked nearly seven kilometres through snow

Even a few grams overweight or underweight, and we have to reject it. That's the level of precision this craft demands

almost three feet deep to personally deliver the cap to Gupkar Road. That journey was not just about delivering a piece of headwear, but a mark of respect and commitment to our family's craft."

That spirit continues today. Muzaffar has crafted caps for Prime Minister Narendra Modi, who wore two handmade Karakuls during his visit to Kashmir following the 2014 floods. He also made custom caps with meticulous care over a 12-hour period for Sultan Qaboos bin Said of Oman (statesperson and former Sultan of Oman). Other notable figures who have worn Jan caps include Farooq Abdullah, former Chief Minister of Jammu and Kashmir; Omar Abdullah, current Chief Minister of Jammu and Kashmir; Arun Jaitley, former Finance Minister of India; and Salman Khurshid, former Minister of External Affairs of India.

> *Our family name carries trust worldwide. We don't advertise. One handcrafted and original royal cap leads to the next order; that's how we've continued*

The Jan family's caps are not mass-produced. Each one is carefully shaped, cut, and stitched entirely by hand, a process so exacting that the slightest deviation in weight or stitch placement can render the piece unusable. "Even a few grams overweight or underweight, and we have to reject it. That's the level of precision this craft demands," Muzaffar Jan explains.

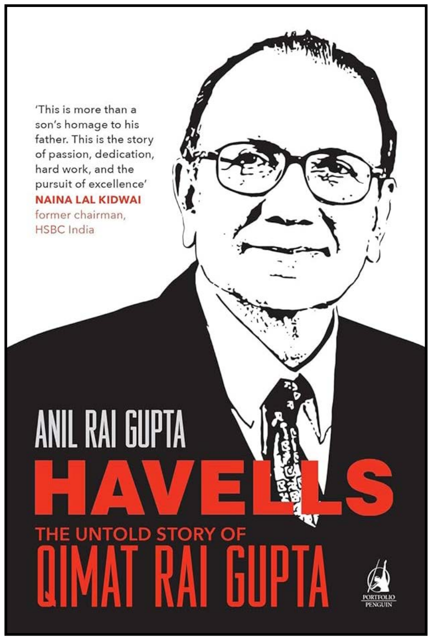
Despite global demand, from Muscat to London to the USA, Muzaffar laments the fading local interest in the craft. "We used to make 60 to 70 caps a month. Now, we barely make that in three months," he says. Only two or three superior caps are produced daily, each a slow labour of love. Yet signs of quiet revival are emerging. During this year's Eid celebrations, Rax Healthcare Pvt Ltd placed an order for 350 caps, a rare bulk commission that reflects renewed interest, especially among younger customers. Muzaffar sees this as a hopeful shift, not just in demand but also in participation.

Despite challenges in sustaining demand, the commitment to preserving this family legacy remains steadfast, with each generation stepping forward to uphold the craft and its values. Muzaffar Jan's 10-year-old son is already learning the delicate skills of size measurement, stitch placement and the feel of the Karakul fleece. Reflecting on this continuity, Muzaffar says,

"I used to sit beside my father while he made caps. Now, my son sits beside me. This craft isn't just work; it runs in our blood and defines who we are." Meanwhile, Muzaffar's brother, Ishfaq Ahmad Jan, manages the family's second branch on Boulevard Road, broadening their reach while maintaining the quality and values the Jan name represents. "Our family name carries trust worldwide. We don't advertise. One handcrafted and original royal cap leads to the next order; that's how we've continued," Muzaffar explains.

In a world of mass production and fleeting trends, Jan Cap House stands as a living legacy, a family business sustained not by scale, but by passing down craftsmanship and values from one generation to the next.

From the Bookshelf



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Havells – The Untold Story of Qimat Rai Gupta
Anil Rai Gupta

Havells – The Untold Story of Qimat Rai Gupta chronicles the life and legacy of Qimat Rai Gupta—fondly known as QRG—the inspiring force behind one of India's most trusted electrical goods brands. Written by his son, Anil Rai Gupta, the book adopts the voice of a chronicler rather than that of a son. It faithfully narrates the parallel journeys of a business and a family over several decades. What began as a modest electrical goods shop in Delhi's Bhagirath Palace eventually transformed into a multi-thousand-crore enterprise, with revenues crossing ₹10,000 crore.

What's remarkable about the book is its multi-layered appeal. It can be read as the biography of a man from the small town of Malerkotla, who rose from humble beginnings to leave behind a legacy worth over $2 billion. It also serves as the growth story of a company that weathered crises, seized opportunities, diversified strategically, and built itself on resilience. For readers interested in leadership, it offers management lessons from a man who had no formal training but possessed deep business instinct and people wisdom. At its heart, it is also the story of a family, guided by mentorship from elders, yet tested by transitions and tensions, including three family splits, the last of which saw the eldest son exit the business.

Importantly, the book also mirrors the journey of a changing India. The author weaves in historical context, touching upon the Licence Raj, liberalisation, the 2008 global financial crisis, and even the rise of the IPL, to help readers understand how external forces shaped the company's decisions. The reader never feels that Havells' story unfolds in isolation. Instead, it comes alive within the vibrant, often volatile backdrop of the country's transformation.

It's this authenticity that makes the book not just a business story, but a mirror in which many business families will see their own reflections

Readers from family businesses will find a particular resonance here. The book doesn't shy away from addressing complex issues such as family dynamics, conflict, decisions to diversify or delegate, and the delicate balance between ownership and professionalisation. These themes are handled with honesty and clarity. A striking example is the candid account of Havells' acquisition of Sylvania, where Anil Rai Gupta admits to his initial apprehension about whether a relatively smaller, India-based Havells could successfully manage a global giant like Sylvania, a true David versus Goliath moment. It's this authenticity that makes the book not just a business story, but a mirror in which many business families will see their own reflections.

In the final chapter, Anil Rai Gupta reflects on his own relationship with his father, offering an insightful commentary on intergenerational dynamics within a family business. It's a candid and thoughtful section that many successors and next-generation leaders will find relatable.

While the book is rich and multilayered, blending business history, personal anecdotes, socio-economic context and management insight, the figure of QRG stands tall throughout. His overriding passion was Havells. More than just building a successful company, he was driven by the desire to create an enduring institution. Despite prolonged health challenges, he soldiered on, fuelled by that singular purpose.

As Anil Rai Gupta poignantly recalls his father's words: "In the initial stages, the business is for the family. It provides for the family. But once it grows big, the roles get reversed, the family is for the business."

QRG passed away in 2014, but this life lesson remains his most enduring legacy. Havells – The Untold Story of Qimat Rai Gupta is not just a biography of a man or a business—it is a tribute to the spirit of institution-building, and a mirror in which many business families will recognise their own hopes, struggles and convictions.

Indian School of Business Overview

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The Indian School of Business (ISB) was established with a vision to become an internationally top-ranked, research-driven, independent management institution that grooms future leaders for India and the world. The school emerged from the need for a world-class institution in Asia that is a trusted and admired leader in business research and education.

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Family Enterprise Quarterly Content Development Team:
Madhuparna Nayak, Sushma GNVS, Anupreet Kaur, Tajuddin Malik, Astha Mishra, Pallavi Mohan, Shivangi Mohan, Sunil Samuel Pew, Kavil Ramachandran and Sougata Ray.

For further information, please visit www.isb.edu/fambiz or contact Sushma GNVS at ed_tscfe@isb.edu or +91 40 2318 7189

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ISB Thomas Schmidheiny Centre for Family Enterprise

Registered Office & Hyderabad Campus:
Gachibowli,
Hyderabad - 500 111,
Telangana, India.
Ph: 040 2318 7000,

Mohali Campus:
Knowledge City,
Sector 81, SAS Nagar,
Mohali - 140 306,
Punjab, India.
Ph: +91 172 459 0000

www.isb.edu
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