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Family Enterprise *Quarterly*

Editor's Desk

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I am happy to present the fourth issue of the Family Enterprise Quarterly for 2024. Before discussing this edition's contents, on behalf of the Thomas Schmidheiny Centre for Family Enterprise, I would like to extend warm Diwali greetings to our readers. The legend has it that the Diwali tradition originated when the people of Ayodhya lit lamps to guide Lord Ram home on a moonless night. In the same spirit, we hope that our humble efforts—through the inspiring stories and valuable insights in this issue—serve to illuminate your path as you navigate your family business journey.

This issue carries a special In Remembrance segment, paying homage to Ratan Tata—a visionary leader, inspiring industrialist and devout nation builder. In a country of over 140 crore people, few business leaders have earned as much respect, love and admiration as he did. His life was a testament to the rare judicious balance of power, wealth, empathy and purpose-driven leadership. His monumental legacy will endure, inspiring generations of entrepreneurs, business leaders and industrialists for years to come.

In keeping with this spirit of purposeful leadership, we spotlight C.K. Ranganathan, CEO of CavinKare, in the *C-suite Wisdom* section. He shares his personal growth journey with us, highlighting his 'magical hour of solitude'—a time dedicated to purposeful reading focused on areas that directly impact his business and personal development. Additionally, in the *Women in Business* section, we speak to Radhika Bharat Ram, Joint Vice Chairperson of The Shri Ram Schools. Immersed in the education sector, she passionately discusses the transformative power of education and her involvement in various impactful initiatives.

In the *Next-Gen* segment, Lakshmi Venu, Director at Tractors and Farm Equipment Ltd (TAFE), shares her insights on how legacy and innovation are intertwined and essential for long-term success. The *From the Bookshelf* section features the book *Adapt: To Thrive, Not Just Survive* by Harit Nagpal, MD & CEO at Tata Play. The book presents ten fictional stories set across various locations, which explore sales and marketing strategies for a wide range of products and offer compelling tales useful for family businesses, new ventures, entrepreneurs, and start-ups. Our *Vintage Regional Icon* for this issue is the Kolkata-based brand Cookme, a pioneer in pre-ground spices with a rich history spanning over eleven decades. In the *Global Perspective* section, we feature Beretta, a brand with an even longer history. With nearly 500 years of legacy, Beretta and its story stand as a testament to its unwavering commitment to quality, innovation, and family tradition.

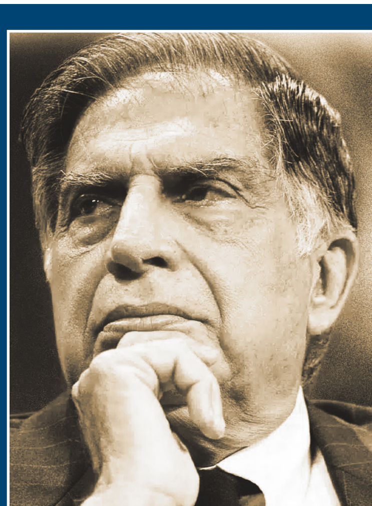
In this issue, for the Case Summary section, we have summarised the case *Zandu Pharmaceutical Works: The Takeover Bid (A)*, which emphasizes the importance of a shared vision and strategic plan, especially when family members hold differing perspectives and desires. Raajitha Rao Jupally, Director at My Home Constructions, is featured in the *Thoughts from our Alumni* section. Additionally, we provide summaries of three research articles: *Balancing Identity, Construction, and Rules: Family Relationship Negotiations During First-Generation Succession in Family Businesses* by Viola Sallay, Attila Wieszt, Szabolcs Varga, and Tamas Martos; *Methods of Social Network Transfer in Thai Family Business Succession* by Nuntana Udomkit, Claus Schreier, and Puttipong Kittidusadee; and *Family Business Successions Between Desire and Reality* by André Pahnke, Susanne Schlepphorst, and Nadine Schlömer-Laufen. Lastly, the *Do You Know* section explores top perceived risks, investment priorities, and portfolio compositions of family offices worldwide for 2024 based on Deloitte's 2024 *The Family Office Insights Series—Global Edition: The top 10 family office trends*.

We hope that you find the articles and interviews in this issue both informative and thought-provoking. As part of our ongoing commitment to supporting business families, family business leaders and professionals, I am pleased to announce that the Thomas Schmidheiny Centre for Family Enterprise at ISB will be hosting the 9th Asian Invitational Conference on Family Business on February 1-2, 2025, in Hyderabad. The theme of this year's conference is Revitalising the Entrepreneurial Spirit of Business Families. The event aims to raise awareness, ignite innovative ideas and enhance the capabilities of family businesses across Asia.

We look forward to your participation with the hope that the conference will inspire you to infuse entrepreneurial spirit in the family and lead the transformation of your businesses into sustainable family enterprises.

Enjoy your reading!

Contents



We are sure that you will be delighted to know that our 9th Asian Invitational Conference on Family Business will be held on February 01-02, 2025 in Hyderabad. You may recall that we had eight highly successful conferences in earlier years each with great speakers and over 350 participants. The overall theme of the conference is "Revitalising the entrepreneurial spirit of business families". We have an excellent line up of 30 speakers to share their experiences on various related topics. We have chosen the themes and speakers very carefully based on our deep insight into the challenges faced by family businesses, all to achieve our goal of adding value to your efforts to further transform the family business you are associated with.

The conference is scheduled over a weekend to make it convenient for all to attend. We encourage you to register early!

Please visit https://www.isb.edu/en/9th-asian-invitational-conference-on-family-business.html for further details, including the session and speaker line up, and registration as a delegate. We shall be obliged if you would:

- Participate with other family members if you belong to a business family.
- Forward this mail to others who may benefit.
- Please let us know in case you wish us to inform some others.

ISB | Thomas Schmidheiny Centre for Family Enterprise

9th Asian Invitational Conference on Family Business

February 01 - 02, 2025
Indian School of Business,
Hyderabad Campus

The peacemaker

Women in family businesses have long played crucial roles, often serving as 'chief emotional officers' to maintain harmony and resolve conflicts. Their emotional intelligence, trustworthiness, and dedication ensure the longevity of family enterprises. As seen in cases like that of the Ambanis and the Murugappa Group, women mediate disputes rooted in patriarchal systems. Despite their key contributions, many women still face obstacles in gaining decision-making roles within these businesses. However, their involvement as emotional anchors is increasingly recognised as being essential for fostering sustainable growth and managing sensitive family dynamics effectively. ●

(Source: Outlook Business, 1 August 2024)

Viewpoint by ThS_CFE@ISB

It is only possible to discuss these issues when someone in the family has the emotional intelligence to navigate the challenges and is invested in creating strong bonds. This person must also be trusted by all involved, possess a high level of integrity, and have no vested interests.

The evolving landscape of Indian family offices

The landscape of Indian family offices is rapidly evolving as next-generation leaders embrace professional management and global investment strategies. These leaders are shifting away from traditional wealth management focused on real estate and gold, moving towards investments in startups, private equity, and international assets. Governance structures are becoming formalised, with clear roles for family and non-family members. Advanced technology is being employed for data-driven decision-making and operational efficiency. Sustainability and impact investing are becoming central themes as younger generations incorporate social and environmental values into wealth management, ensuring long-term growth while adapting to modern financial challenges. ●

Viewpoint by ThS_CFE@ISB

Family offices are moving towards professionalisation, with external experts being brought in for investment and governance. The next-gen leaders prioritise long-term wealth preservation by institutionalising governance frameworks and using data-driven strategies. Their approach is transforming how family wealth is managed, blending tradition with modern business practices for sustainability and growth.

(Source: Campden Family Connect, 16 July 2024)

A family start-up revolution

Family businesses are increasingly turning to startup incubators and accelerators as tools for innovation and growth. This trend, led by the younger generation, is helping these enterprises move beyond traditional sectors like real estate and manufacturing, exploring newer industries such as technology and sustainable ventures. The integration of modern entrepreneurship within family-run businesses is fostering diversification in their investment portfolios, enabling them to adapt to market changes. By leveraging these platforms, families are blending established business values with fresh, innovative ideas, positioning themselves for long-term success while ensuring that they remain competitive in a rapidly evolving business landscape. ●

(Source: The Financial Express, 5 July 2024)

Viewpoint by ThS_CFE@ISB

Incubators and accelerators provide family businesses the structure and resources to innovate while retaining their core values. These platforms foster new business opportunities and help families diversify and future-proof their ventures, ensuring competitiveness.

Balancing identity, construction, and rules: Family relationship negotiations during first-generation succession in family businesses

● Study by Viola Sallay, Attila Wieszt, Szabolcs Varga, Tamas Martos

Family relationships are at the heart of every family business, and when it comes to succession, these ties become even more crucial. The authors of this study dig deep into the emotional and relational challenges that families face during this pivotal transition.

Succession in family businesses isn't just about handing over the reins. It's about navigating the complex web of family dynamics, where personal identities, long-standing traditions, and unspoken rules all come into play. Through insightful interviews with founders and their successors in Hungarian family firms, this study uncovers the delicate negotiations that are essential for a successful transition.

One key area involves **negotiating a shared identity**, where the founder and successor work to align their identities, not just as business partners, but as family members. Shared experiences and common values often help cement this bond, making the transition smoother. However, when there's a mismatch, whether due to differing personalities or conflicting visions, the process can become tense and challenging.

Another important aspect is **negotiating family rules,** where families must balance their personal roles with their business responsibilities. Clear communication and mutual respect are crucial here. Some families formalise these discussions through structured family meetings, while others prefer to keep things flexible to avoid conflict. When these family rules are unclear or ignored, the succession process can slow down or even come to a halt.

Finally, the authors touch on **negotiating a common construction**, which involves the practical side of succession where the founder and successor collaborate to ensure a smooth transition. This stage can be tricky, as the founder's reluctance to let go often clashes with the successor's desire for independence. Success here depends on both parties being able to negotiate their roles with a focus on understanding and respecting each other's needs.

What does this mean for family businesses?

Understanding relationships: Successful succession in family businesses requires more than just strategic planning; it necessitates a deep understanding of the relational dynamics involved.

Open communication: Practitioners should prioritise fostering open communication within the family to facilitate smooth transitions.

Mutual respect: Mutual respect among family members is crucial for managing the succession process effectively.

Flexibility in roles: Flexibility in addressing family roles and responsibilities can help navigate the challenges that arise during succession.

Addressing emotional dynamics: Addressing emotional and relational aspects of succession early on is essential to prevent long-term conflicts that could harm both the family and the business.

Relational processes for continuity: By considering these relational processes, family businesses can better manage the complexities of intergenerational succession, ensuring continuity and stability for future generations. ●

Implications:

Successful succession in family businesses isn't just about having a business strategy; it's deeply rooted in family dynamics. Families that effectively navigate emotional challenges with empathy, open communication, and flexibility are more likely to achieve a smooth transition. This approach helps ensure that the business remains strong and united, capable of thriving across generations.

Source:

Journal of Business Research (2024), 174.
DOI: https://doi.org/10.1016/j.jbusres.2023.114483

Methods of social network transfer in Thai family business succession

Study by Nuntana Udomkit, Claus Schreier, Puttipong Kittidusadee

In family businesses, the value of relationships can't be overstated. Social networks, built over years of trust and collaboration, are the backbone of these enterprises. But what happens when it's time for the next generation to take the reins? The authors of this study dive into this critical question, offering a close look at how Thai family businesses handle the delicate process of passing on these invaluable networks.

The transition from one generation to the next is more than just a handover of responsibilities; it's about ensuring that the new leader can maintain and even strengthen the business relationships that have been carefully cultivated over time. Based on interviews with thirty family business owners in Thailand, the authors present a common two-step approach to this process: preparation and execution.

Preparation: This is where the groundwork is laid. Successors are brought into the business early, encouraged to gain relevant work experience, and are often asked to pursue an education that aligns with the family business's needs. This isn't just about learning the ropes; it's about building the credibility and confidence needed to take over the family's social networks.

Execution: When the time is right, the outgoing leader gradually introduces the successor to key business contacts and starts handing over responsibilities. This isn't done overnight. It's a careful, step-by-step process designed to build trust between the successor and the existing network, ensuring that the relationships and the business continue to thrive.

What does this mean for family businesses?

Start early: Involve the next generation in the business as soon as possible. Early exposure helps them understand the business culture and operations.

Education matters: Encourage the successor to pursue studies that will give them the skills and knowledge needed to succeed in the family business.

Experience beyond the family: Working outside the family business can provide invaluable experience, helping the successor build their own network and gain fresh perspectives.

Take it slow: The handover should be gradual. Let the successor take on responsibilities bit by bit, giving them time to build trust with existing business partners.

Trust is key: The outgoing leader must play an active role in fostering trust between the successor and the business network, ensuring that relationships remain strong during and after the transition.

Implications:

The study highlights the critical role of trust in the succession process. Predecessors must work to ensure that successors are viewed as competent and trustworthy by existing network partners. This gradual transition, where the incumbent acts as a 'social broker', is essential for successfully integrating the successor into the business network, thereby securing the continuity and stability of relationships that are vital to the business's success.

Source:
Asia Pacific Management Review (2023), 28 (4), 510-518
DOI: https://doi.org/10.1016/j.apmrv.2023.03.002

Family business successions between desire and reality

● Study by Andre Pahnke, Susanne Schlepphorst, Nadine Schlomer-Laufen

For many family business owners, the dream of passing the torch to the next generation is a powerful motivator. However, recent research reveals that the road from intention to reality can often be filled with unexpected twists and turns.

Despite careful planning, only about 12% of business owners who aim to transfer ownership within five years succeed. What happens to the rest? The reality is stark: many businesses either continue without a change in leadership or face closure, often due to economic pressures.

One of the key takeaways from this research is the high number of unintended outcomes. Unforeseen events, like the sudden death or illness of a leader, can derail even the best-laid plans, leading to unplanned closures or transfers to non-family members. The study also highlights the critical role of the business's financial health in the success of succession plans. Even if the family is deeply invested in maintaining control, poor economic performance can force a change in course.

What does this mean for family business owners?

Embrace the complexity: Succession isn't just about making plans; it's about preparing for the unexpected. Owners should acknowledge that the process is multifaceted and may not unfold as envisioned.

Plan with flexibility: While having a clear succession strategy is vital, it's equally important to remain adaptable. Be ready to pivot if circumstances change.

Focus on financial health: A financially stable and competitive business is the foundation for a successful succession. Ensure that your business is in good economic shape to support your plans.

Prepare for unintended outcomes: Be aware that things might not go as planned. Having contingency plans in place can help mitigate the impact of unexpected events.

Consider all options: Sometimes, selling the business to non-family members might be the best choice, especially if it ensures the business's survival and the security of its employees.

Balance emotions and economics: While keeping the business in the family is a noble goal, don't let it blind you to the economic realities. Sometimes, adjusting your plans is the best way to protect both your family's legacy and the business's future. ●

Implications:

This study serves as a crucial reminder for family business owners that successful succession requires more than just intention. It necessitates careful planning, financial vigilance, and the flexibility to adapt when reality diverges from the original plan. By maintaining a focus on the long-term health of the business and being prepared to adjust strategies as needed, owners can navigate the complexities of succession and pave the way for a smooth and successful transition.

Source:
Journal of Business Venturing Insights (2024), 21
DOI: https://doi.org/10.1016/j.jbvi.2024.e00457

Do You Know: Knowledge Decoded

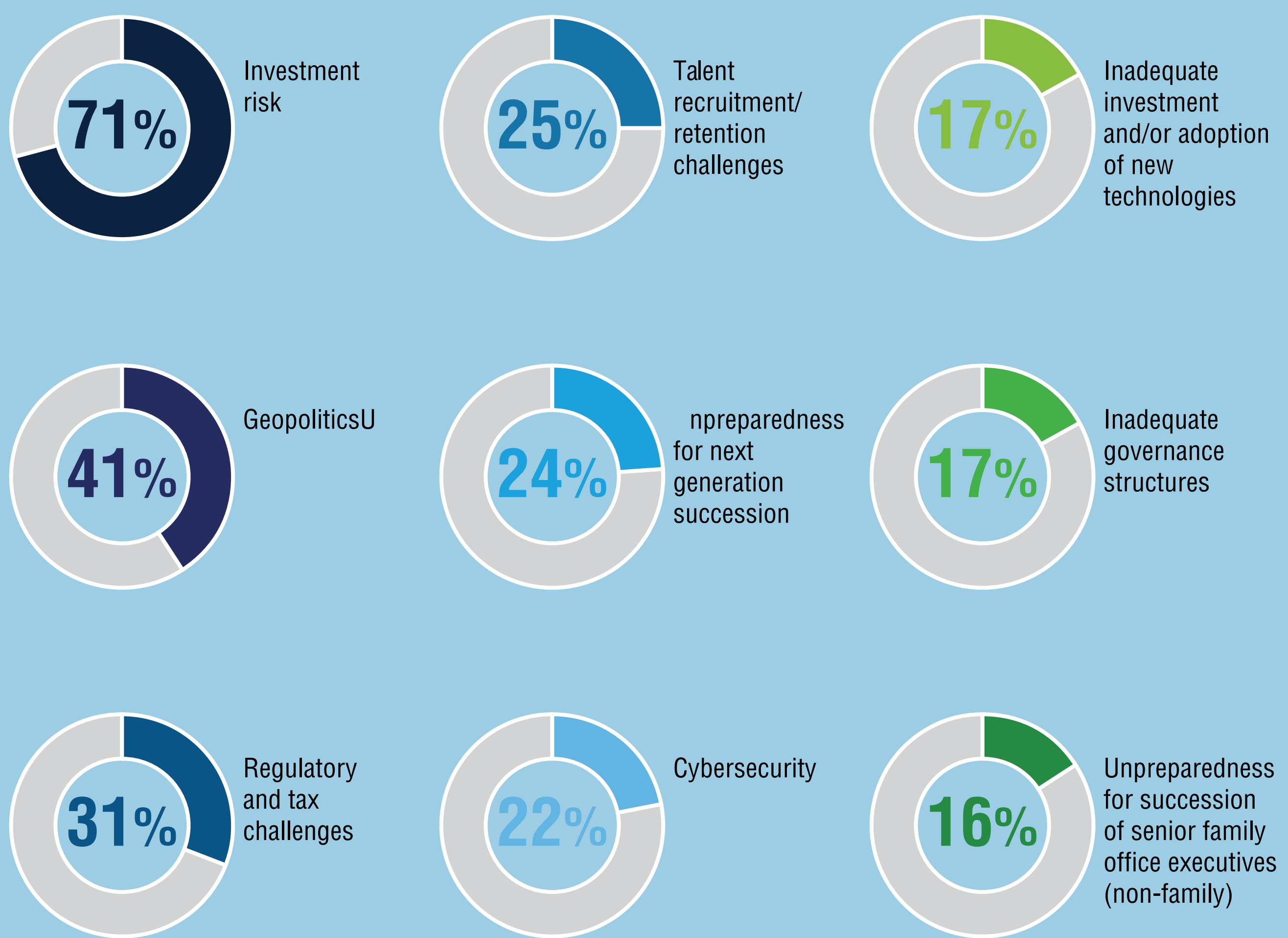
Deloitte's family office insights series: Navigating a complex landscape

Deloitte's 2024 Family Office Insights Series, based on a survey of 354 single-family offices overseeing an average of $ 2.0 billion and a total of $ 708 billion in assets under management (AUM), provides a comprehensive overview of the global family office landscape. The report explores key trends and challenges shaping this sector. Here, we focus particularly on the top perceived risks, investment priorities, and portfolio composition of family offices worldwide, as per the survey.

1) Top perceived risks in 2024

Managing investment risk remains the top strategic priority for family offices in 2024, driven by the uncertain economic and political environment (Exhibit 1). Geopolitical risks, regulatory challenges and tax challenges rank amongst the top three market risks for 2024. Notably, European family offices express greater concern about geopolitical risks compared to other regions, highlighting the heightened awareness of the ongoing conflict in Ukraine and the recent Israel-Hamas war.

Exhibit 1: The top perceived risks to the family office in 2024 (Global)

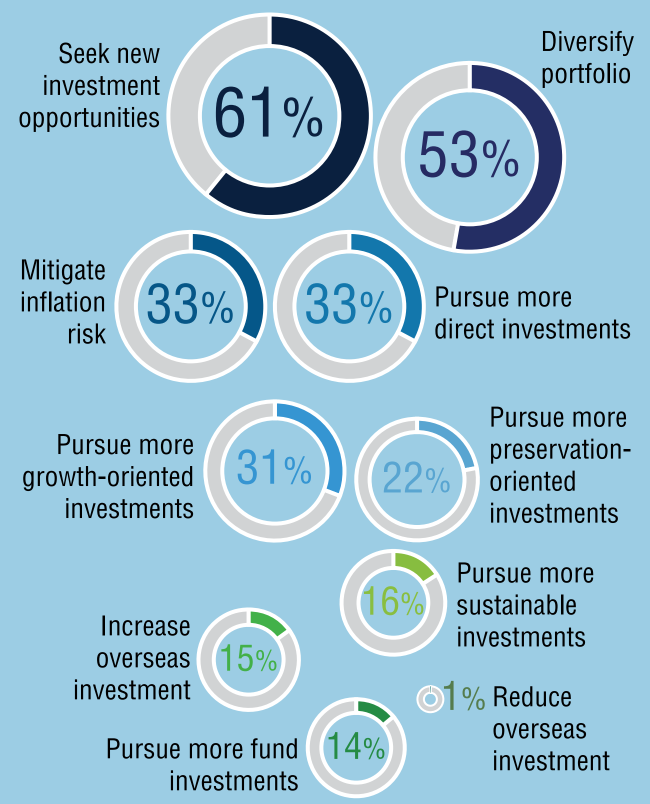


Source: Figure 5, Deloitte. (2024). The Family Office Insights Series—Global Edition: The top 10 family office trends.

2) Investment priorities for 2024

In 2024, global family offices have given priority to navigating the uncertain market environment by focusing on three key strategies: seeking new investment opportunities (61%), diversifying their portfolios (53%), and mitigating the risks associated with inflation (33%) (Exhibit 2). While growth-oriented investments remain more prevalent, the increased emphasis on portfolio diversification reflects a shift towards risk mitigation, particularly in light of recession concerns and lingering geopolitical tensions. This strategic approach indicates a move away from purely growth-focused strategies towards a more balanced approach that prioritises both potential returns and risk management.

Exhibit 2: Family offices' top three investment priorities for 2024 (Global)

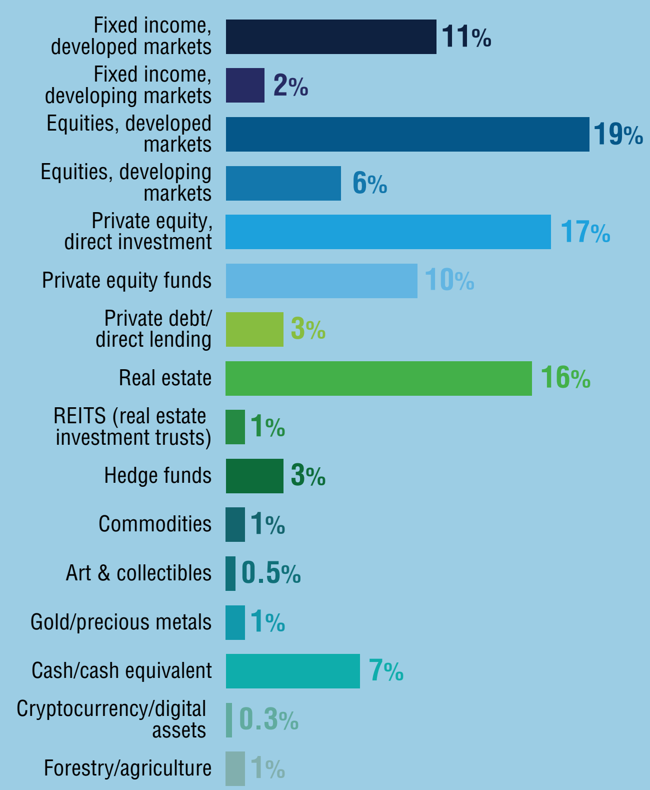


Source: Figure 7, Deloitte. (2024). The Family Office Insights Series—Global Edition: The top 10 family office trends.

3) Investment portfolio by asset class

Family offices are increasingly shifting their investments towards private equity, which now accounts for 30% of the average portfolio (including direct, funds, and private debt/direct lending) (Exhibit 3). This reflects a broader trend of moving away from public markets and towards private markets, driven by the potential for higher long-term returns and the flexibility offered by direct private investments. Despite a softening in private equity deal flow during 2023, family offices have maintained their commitment to this asset class, reflecting a long-term view and a preference for opportunistic deals. While larger family offices still favour private equity funds, smaller offices are increasingly turning towards direct investments, particularly in North America and the Asia-Pacific.

Exhibit 3: Family offices' investment portfolio by asset class (Q3/Q4 2023) (Global)



Source: Figure 8, Deloitte. (2024). The Family Office Insights Series—Global Edition: The top 10 family office trends.

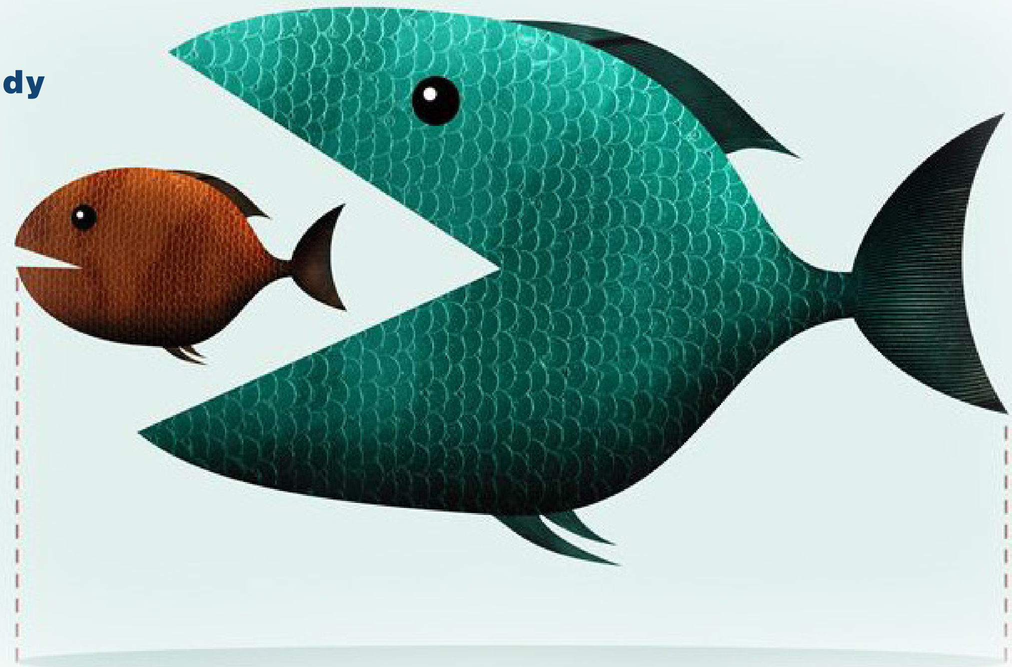
Conclusion

Family offices are increasingly influential in the global financial landscape, playing a crucial role in managing wealth and shaping investment trends. Deloitte's report provides invaluable insights into the evolving dynamics of this sector, offering a comprehensive picture of global and regional trends. The report highlights the growth of family offices, their evolving investment strategies, and their ongoing efforts to navigate a complex and uncertain economic environment.

Reference:

Deloitte. (2024). The Family Office Insights Series—Global Edition: The top 10 family office trends. Deloitte. https://www.deloitte.com/content/dam/assets-shared/docs/services/deloitte-private/2024/deloitte-private-top-10-family-office-trends-2024.pdf

Case Study



Zandu Pharmaceutical works: **The takeover bid (A)**

In the summer of 2008, as temperatures rose, so did tensions within the Parikh family's conference room. Dharmendrabhai Parikh, the third eldest son of the founding family and executive director of Zandu Pharmaceutical Works Limited, had convened a meeting to address an urgent issue: a hostile takeover bid from the Kolkata-based Emami Group, a conglomerate known for its growth through acquisitions in FMCG, healthcare, and real estate.

Zandu, a century-old company founded by Jugatram Vaidya, had never faced such a challenge before. Originally established in 1910 in Dadar, Bombay (now Mumbai), with the support of Pattani and Mathuradas Parikh, the company was a unique blend of the founders' expertise. While Jugatram provided the technical knowledge, Mathuradas, who came from one of India's most well-established trading communities, supplied the business acumen. Over the years the managing agency system at Zandu evolved into a managing directorship with Hareshbhai Vaidya (son of Jugatram) and Gopalbhai Parikh (eldest son of Mathuradas) as Managing Directors. In 1973, governance shifted to a formal board of directors under the Indian Companies Act, with a board representing both families.

Zandu Pharmaceuticals specialised in manufacturing Ayurvedic products, including balms, ointments, and herbal remedies. In 1998, the company expanded its product portfolio to include herbal cosmetics and toiletries. Krishnakant Parikh, the second son of Mathuradas, was the key architect behind Zandu's growth. Under his leadership, the company thrived, and his calming influence helped maintain harmony between the Parikh and Vaidya families. However, his passing in 2000 was a significant loss, both for the company and the unity of the promoter families.

In January 2006, the company faced another blow with the death of Hareshbhai Vaidya, who had dedicated

However, with its small equity base, a strong portfolio of successful brands, and a faction of promoters seeking an exit, Zandu became an attractive target for Emami his life to Zandu and had served as the Director of Planning and Development. He was survived by his two children: a daughter, Anita, who was not involved in the business, and a son, Dev Kumar, who worked as an employee of the company. With Hareshbhai's death, the Vaidya family lost its representation on Zandu's board of directors. By this time, Girish Parikh, a third-generation family member, had assumed leadership of the company.

Tensions began to surface within the Parikh family as the descendants of Gopalbhai and Krishnakant held greater influence in the company and controlled nearly half of the Parikh family's holdings. Meanwhile, Dev Kumar, who was involved in the business, aspired to take on a more significant role in managing Zandu's day-to-day operations. However, the Parikhs perceived him as lacking the necessary competence to manage the business effectively. Despite the Vaidyas' considerable shareholding in Zandu, they were gradually marginalised in the company's management.

Despite these undercurrents, the Parikhs were confident that the Vaidyas would not sell their stake, believing that any buyer would have to struggle to wrest control from them. However, with its small equity base, a strong portfolio of successful brands, and a faction of promoters seeking an exit, Zandu became an attractive target for Emami. Emami's interest in acquiring Zandu led them to initiate talks with the Vaidya family, who held 23.62 per cent of the company's equity. After prolonged negotiations, the Vaidya siblings agreed to sell their stake to Emami in May 2008 for approximately INR 1,300 million.

In accordance with SEBI regulations, Emami announced a mandatory open offer to acquire an additional 20 per cent stake at INR 7,315 per share. However, speculators, anticipating a fierce battle, drove Zandu's share price to INR 9,455 on the Bombay Stock Exchange, making Emami's offer less attractive.

The Parikh family, collectively holding just over 18 per cent of Zandu's stock, knew that a substantial portion of the shares were held by their extended family members and the broader merchant community of Gujarat. Despite the dispersed nature of these holdings, the Parikhs had never envisioned a scenario in which their control over Zandu would be challenged. Even though, Emami offered the Parikhs the option of jointly managing the company, many family members were reluctant to cede control after nearly a century of family ownership.

Now faced with an unprecedented dilemma, the Parikh family had three options: sell their shares to Emami, secure financing to buy back shares from the market or negotiate a partnership with Emami to retain management control

Now faced with an unprecedented dilemma, the Parikh family had three options: sell their shares to Emami, secure financing to buy back shares from the market or negotiate a partnership with Emami to retain management control. Selling their shares would provide a substantial cash influx in the short term, but it would mean relinquishing their traditional family business, built over generations. On the other hand, fighting the resource-rich Emami Group would be financially and strategically challenging. Negotiating a partnership with Emami, while potentially preserving some control, came with its own set of complications.

As Dharmendrabhai Parikh listened to the diverse opinions within the family, it became clear that many members were firmly entrenched in their positions, making consensus unlikely in the near future. The Parikhs faced a critical juncture in their history, with the future of their family legacy hanging in the balance. ●

Learnings

- It is crucial for the older generations to actively mentor and support the younger generations. Building bridges between generations through a structured framework of communication and managing differences of opinion is essential for maintaining harmony.
- Developing and promoting a shared vision and strategic plan for the family business is key to uniting family members with diverse perspectives. This common vision can instil a sense of togetherness and purpose, even among those with differing opinions.
- Clearly defining the roles and responsibilities of all family members in a professional, well-justified, and equitable manner is crucial for building sustainability across generations.

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Ramachandran, K., Suresh, J., & Bhatnagar, N. (2014). Zandu Pharmaceutical Works: The Takeover Bid (A). Indian School of Business .

Bidding adieu to the icon, **Ratan Tata**

How often do we encounter individuals whose appeal, influence and fame transcend the institutions that they have inherited and built? Rhetorical questions rarely have an answer, rather, they require our reflection and contemplation. Yet, Ratan Tata, India's most influential business leader and philanthropist, is the profound answer to this rhetorical question. In a nation of over 140 crore people, few business leaders have elicited greater respect and love than Ratan Tata.

Ratan Naval Tata was born in a Parsi family on 28 December 1937 in Bombay (now Mumbai), when the colonial rule was on its last legs and the task of nation-building was on the mind of the freedom fighters, the intelligentsia and the industrialists of a country ravaged by a long colonial rule. This historical overlap determined not only the course of nation-building and the development of state institutions but also shaped an attitude that epitomises Ratan Tata's style of doing business, i.e. 'ethical capitalism'.

Tata was a veteran industry leader who was never associated with any massive controversy. He grew up in a luxurious home and studied architecture and structural engineering from Cornell University. He returned to India due to the deteriorating health of his grandmother, Navajbai R Tata, rejected a job offer from IBM, and started working as an assistant at Tata Industries in 1962.

Known for his business acumen, vision and strong work ethic, he turned his family business into a global empire. Under Ratan Tata's auspices, the family business expanded enormously, keeping

Source for the picture: www.instagram.com/ratantata/?hl=en

At the launch of Tata Indica, India's indigenous passenger car.

pace with technological and economic changes, to play a leading role in sectors such as diverse chemicals, aviation, automobiles, information technology, and business consulting. During his tenure, the group's revenues grew manifold, totalling over $100 billion in 2011-12.

Succession is crucial for the continuity and transmission of intergenerational wealth in family businesses, yet Tata bore no children. However, this didn't stop him from creating a legacy and using his wealth to support younger generation entrepreneurs, as he disbursed a significant portion of his wealth to philanthropy and actively invested in startup businesses of young, under-financed entrepreneurs. One of the last startups he invested in is called The Goodfellows, which encouraged friendships between older and younger Indians in business and other professions. His commitment to the well-being of society was also reflected in the unusual ownership structure of the Tata Group companies. Tata Sons Pvt. Ltd., the holding company of the Tata Group companies, held the majority shares and was itself two-thirds-owned by philanthropic trusts endowed by Tata family members. Through these trusts, Ratan Tata disbursed much of his fortune on education, health, and agricultural projects for underprivileged Indians.

His approach to business was global and indigenous at the same time. This can be conflicting for some, but not for Ratan Tata. This is epitomised by the fact that he acquired prominent British brands like Jaguar, Corus Steel and Tetley Tea, and other international brands like Land Rover. Despite tremendous success in international waters, his indigeneity and dedication to Indians remained palpable. This has manifested in the consumption practices of ordinary, middle-class Indians, whether while sipping a cup of Tata tea, flavouring food with Tata Salt, flying on Air India, riding in cars of Tata Motors, or using

Source for the picture: www.instagram.com/ratantata/?hl=en

Ratan Tata with Jamsetji Nusserwanji Tata visit manufacturing facilities for the B1B bomber and the space shuttle.

products made with Tata Steel. His business outlook was innately blended with doing good for society, and it was this attitude that changed the trajectory of our economy, society and social fabric. His legacy set new benchmarks for philanthropy, innovation, and corporate social responsibility. In contrast to his contemporaries and successors, his approach to doing business was grounded in the philosophy of connecting with the masses and democratising technology. The launch of Tata Nano, a car designed to make personal transportation affordable for millions, exemplified Tata's commitment to accessible innovation. Nano wasn't just a product, but a vision which was embedded in the belief that mobility, instead of being a luxury, was democratic and accessible to all. It was also based on a desire to improve safety for lower-income drivers who were, until then, limited to using motorcycles and scooters.

Ratan Tata leaves behind a void in our society, being an ideal example of an individual who amassed great power and wealth, yet somehow retained the noblest intentions throughout that journey. His leadership style—marked by humility and compassion—reminds us that business is not just about profits; it's about the positive impact we create in the communities we serve. As we pay tribute to Ratan Tata, let us carry forward his legacy of inclusive innovation, integrity, and social consciousness. His work has paved the way for future leaders, inspiring us to create businesses that not only thrive but also contribute to the greater good. Thank you, Ratan Tata, for your indelible mark on our lives and for teaching us the true meaning of leadership. Your vision will continue to guide us as we strive to make a difference in the world. •

Despite tremendous success in international waters, his indigeneity and dedication to Indians remained palpable. This has manifested in the consumption practices of ordinary, middle-class Indians, whether while sipping a cup of Tata tea, flavouring food with Tata Salt, flying on Air India, riding in cars of Tata Motors, or using products made with Tata Steel

C K Ranganathan,
Chairman & Managing Director,
CavinKare Pvt. Ltd

The way you think and act **determines the heights you reach**

> *I firmly believe that when faced with challenges, you either stick to your principles or you don't. For me, if my values indicate that a particular path is the only viable option, I have no hesitation in pursuing it*

C K Ranganathan, born in Cuddalore, Tamil Nadu, comes from a family with a strong emphasis on education. He earned a Bachelor's degree in Chemistry and, after some experience in his family's business, founded 'CHIK India', later rebranded as CavinKare Pvt. Ltd in 1998. Under his guidance, CavinKare has evolved into a leading FMCG company with an extensive range of products in personal care, dairy, beverages, professional care, and food and snacks. The company also has a chain of salons and an animal hospital.

C K Ranganathan has held prestigious leadership roles, including that of the President of TiE—Chennai Chapter, Chairman of the Confederation of Indian Industries (Southern Region), and President of both the All India Management Association and the Madras Management Association. He is also a co-founder of the Ability Foundation—an NGO that works for the disabled.

He established the CavinKare Ability Awards to recognise individuals overcoming physical challenges, and the Chinnikrishnan Innovation Awards to encourage small entrepreneurs, honouring his father Late Shri R ChinniKrishnan's legacy who pioneered the sachet revolution.

Mr. Ranganathan, as a first-generation entrepreneur and the founder of CavinKare, could you share some insight into your family background? What inspired you to embark on your entrepreneurial journey and establish CavinKare?

My father, a mathematics teacher turned entrepreneur, started a small-scale industry focused on repackaging of pharmaceutical products. An innovator, he introduced single-dose sachets for OTC products, making them affordable and accessible. With no machines available, he designed his own sachet machine, launching sachets for liquid products like shampoo, honey, and hair oil. His philosophy was that whatever the rich man enjoys, the common man should be able to afford too. At the time, only 1% of Indians used shampoo. Tragically, before he could scale up the business, he passed away.

After graduation in 1982, I joined the family business, which my two elder brothers had taken over. Initially, I struggled with an inferiority complex, having studied in the Tamil medium, but I soon realised that business was mostly common sense. Confident in my abilities, I expressed my views openly, leading to differences with my brother. Because of that, I left the family business, marking a defining moment in my life. I

chose to walk away from any claim to the family property or business.

I moved into a rented house, which doubled as my office, and began my journey of creating my own brand. I named my shampoo brand 'Chik', after my father, Late Shri R. Chinnikrishnan, which was launched in 1983.

Starting from scratch must have been challenging. What were some challenges that you faced and business principles that guided you through your initial entrepreneurial journey?

Starting out, I had experience only in manufacturing and R&D, so learning about other aspects of business—like marketing, finance, and sales—was a tough but necessary journey. I also laid great stress on efficient cash management. In the family business, I noticed vendors weren't being paid on time because funds were diverted elsewhere, a practice I strongly disagreed with. While my brothers were successful, their leadership style limited the company's growth—a concept known as the 'law of the lid', where a leader's actions cap the business's potential. I realised that to grow beyond these limitations, I would have to carve my own path.

I believe that when processes are created together, they resonate more deeply throughout the organization

With just Rs 15,000, I launched my business, committed to paying taxes honestly and managing cash responsibly. This approach helped me build trust with banks, allowing me to secure loans without collateral. One key lesson came when a valuable employee left because I couldn't guarantee timely salary payments, which reemphasised for me the importance of paying employees and vendors on time. I even borrowed at high interest rates to meet obligations, understanding that financial discipline and integrity were crucial.

Mistakes were inevitable, but I learned quickly. These principles—financial discipline, learning from mistakes and leading with integrity—formed the base of my entrepreneurial journey.

As your company grew and fundamental principles were already in place, what leadership obstacles did you encounter and how did you address these issues to drive your business forward?

I recall a pivotal moment in 1993 that dramatically changed the landscape for small-scale industries (SSIs). At that time, Finance Minister Dr Manmohan Singh introduced a budget that imposed a 110% excise duty on SSIs. This sudden and hefty increase meant we had to compete with multinational companies who had very deep pockets. At an SSI association meeting, the prevailing sentiment was that this duty was an insurmountable barrier, leading many to start considering alternative business avenues.

Rather than backing down, I chose to confront this challenge head-on. It was a defining moment for us. I resolved to fight despite the odds, knowing that while multinationals had the funds, we had ideas on our side. Among the 249 SSIs who were part of that association, I am now the only one left standing.

To overcome this daunting situation, I had to ensure my team was fully committed. To boost morale and retain talent, I implemented a 40% salary increase. I also invested in advertising and brought in top marketing professionals. I hired quality talent from prestigious institutions. Although it was a life-or-death situation, these steps proved effective. Despite a sluggish start that year, our strategic investments and increased prices led to a turnaround. From then on, there was no looking back.

Many successful entrepreneurs take bold, audacious leaps of faith when faced with challenges. Reflecting on your journey, what was the inner belief or conviction that gave you the courage to make such a leap?

My conviction to take bold steps stems from my value system. I firmly believe that when faced with challenges, you either stick to your principles or you don't. For me, if my values indicate that a particular path is the only viable option, I have no hesitation in pursuing it. There's no dilemma. I've also built my organisation around these values.

Even in the face of significant obstacles, such as the imposition of a 110% excise duty, I refused to abandon my approach. I was determined to fight back, despite knowing that multinational competitors had deeper pockets. I believed in the power of differentiation and innovation. We took risks by investing in advertising on TV, by using popular film stars in our ads. A key aspect of our strategy was placing a strong emphasis on fragrance. At the time, Indian consumers were largely deprived of high-quality fragrances. This yearning for pleasant fragrances was a significant market gap we aimed to fill.

You made a notable decision to hire top professionals from prestigious institutions even when your company was still growing and not widely recognised in 1993. How did you attract these highly qualified individuals to join your team? What was the story or vision you presented to them that convinced them to come on board?

To attract top professionals during our early years, I emphasised on my vision and passion for growth. I shared my dream of building a strong, innovative company and highlighted the critical role of R&D. At that time, our office was quite modest—a 250 square feet space that is double as my residence—while our R&D was housed in a 500 square feet area.

I started by hiring a scientist with no prior experience in the field. Gradually, we expanded our team of scientists. Despite my limited formal education, I immersed myself in technical books and sought advice from peers to deepen my understanding. This hands-on approach and commitment to learning helped us develop a robust R&D team and fostered a culture of innovation.

As we grew, our R&D capabilities expanded significantly. Today, our R&D facility covers 40,000 square feet, while our office space is 32,000 square feet. We employ numerous PhDs and regularly file patents, continually pushing the boundaries of innovation. Alongside our R&D efforts, we now also emphasise on the importance of sales and marketing, recognising their crucial roles in the FMCG sector.

Before my children could join the business, I set a condition: they must first start something on their own that employed over 100 people and make it successful for at least three years

How do you foster a culture of innovation within your company, especially considering that the founder's role is to create excellence, which then needs to be scaled up by the entire organisation?

Creating a culture of innovation within the company is a collaborative effort. I believe that when processes are created together, they resonate more deeply throughout the organisation . It's important to understand that while I may have contributed significantly—sometimes 50%, 60%, or even 80%—the process is not just mine; it's the result of collective efforts.

In fostering this culture, it's crucial to encourage an ongoing thirst for improvement among the team. This involves continuous discussion, where ideas are shared and refined together. We have a process for this and I would say we have mastered the process.

It begins with gathering insights, which can come from various sources. We have a system for measuring and categorising ideas into three types—10-gram ideas, 100-gram ideas, and 1000-gram ideas. Every Friday, we have a structured learning session where scientists present their ideas to a small but sharp audience of about six to seven people. This audience not only benefits from the insights but also challenges the scientist, helping refine the ideas further. After receiving feedback, the scientists return to build on their concepts. This cycle ensures continuous improvement, and we ultimately focus our resources on the high-potential, 1000-gram ideas.

This process of gathering insights, generating ideas, and turning them into executable strategies is meticulously tracked. We measure the transition from insights to ideas, ideas to strategy, and strategy to execution, ensuring that innovation is systematically cultivated and scaled throughout the organisation.

How do you continuously nurture and sustain your drive for excellence, even after achieving significant success?

I dedicate at least two hours every day to reading and self-reflection. My journey as a lifelong learner began because I wasn't naturally gifted academically, yet today, I find myself well-versed in management concepts and able to apply them logically. Reading The 10 Natural Laws of Successful Time and Life Management by Dr Adams was a transformative experience for me. This book introduced me to the concept of 'The Magic of Solitude', a daily practice of self-reflection and growth that I've adhered to ever since.

Every morning, from 5:30 to 8:00 am, I dedicate time to this ritual. It's not about clearing emails or responding to messages but about personal growth—reflecting on the past, envisioning the future, and equipping myself to be better. This practice is not just for knowledge's sake; I read with a purpose, focusing on areas that will directly impact my business or personal development.

The process I follow involves gaining insights, generating ideas, forming strategies, and executing them effectively. This disciplined approach to learning and self-regulation has become the foundation of my success. Over time, I've realised that the more disciplined and committed you are, the more you can achieve.

You wear two hats—one as the founder of the company and another as a father. How are you preparing your children for the future, whether or not they choose to join the family business? What guidance or values are you imparting to help them succeed?

Before my children could join the business, I set a condition: they must first start something on their own that employed over 100 people and make it successful for at least three years. I gave each of them Rs 10 lakhs as initial capital, on the understanding that I'd finance them further once they gained traction. My goal was for them to fail and learn from their mistakes, while I remained available for guidance without hand-holding. The only rule I imposed was that they should never violate statutory obligations, ensure they manage cash flow, pay employees and taxes on time, and honour commitments.

All three of my children have passed this test, and they've often said that this freedom to fail was the best gift I could have given them. I offer advice, but never enforce it, allowing them to take responsibility for their decisions.

I'm deeply invested in ensuring that people can grow faster. If multinationals take fifteen years to build certain capabilities, I aim to shorten that timeline for our people, so they can be highly effective in, let's, say five years

This approach has created a sense of independence and accountability, and they often come to me for guidance on their own terms.

At the same time, I've also learned from them. For instance, my son once made a presentation to the board, advising me to read Built to Last to improve the business. I welcomed his input, understanding that continual learning is key—both for them and for me.

So, after being at the helm for 44-45 years, what do you want your legacy to be? What is your vision for both yourself and the company in the years to come?

My entrepreneurial journey is ongoing, and I plan to keep contributing while transitioning more of my responsibilities to my children. I'm clear that meritocracy must guide this transition—they won't be handed things easily. They need to grow and learn at their own pace, contributing when they are ready.

My focus is also on continuing to drive innovation, particularly with the rise of the digital revolution and AI. These areas hold immense potential for enhancing data-driven insights and automation, which I believe are key to future growth. My goal is to create processes that not only drive innovation but also elevate the art of execution.

Another aspect of my legacy will be contributing to the broader entrepreneurial ecosystem. I've been working with the MSME community, and through initiatives like the one I helped build with TiE Chennai, we're providing education and practical frameworks for startups. My dream is to impact 1,00,000 entrepreneurs, helping them grow and contribute meaningfully to the economy. We've already enrolled 1,300 entrepreneurs, and this initiative is gaining strong momentum.

Lastly, within the company, I'm deeply invested in ensuring that people can grow faster. If multinationals take fifteen years to build certain capabilities, I aim to shorten that timeline for our people, so they can be highly effective in, let's, say five years. This, along with creating unique processes that give our company a competitive edge, will be part of the legacy I leave behind. ●

Raajitha Rao Jupally,
Director - Marketing,
My Home Constructions

My leadership style is that of a servant-leader

> *I had an established platform to step onto. This position of power allowed me to hire many other women to work alongside me*

Raajitha Rao Jupally is an emerging business leader with diverse experience in the construction and luxury retail sectors. She is currently a director at My Home Constructions, a prominent construction group in Hyderabad, which has over thirty years of experience in the real estate sector.

Raajitha previously served as a director at Harini Retail Pvt. Ltd., Hyderabad, where she was instrumental in building the company from the ground up. Under her leadership, Harini Retail's revenue grew from INR 1 crore in its first year to INR 30 crore by 2019-2020. Previously, Raajitha led the human resources department at My Home Constructions, focusing on performance appraisals and safety guidelines for sixteen large projects. She also gained international HR experience at Preferred Materials, Inc. in the USA and CRH PLC in Ireland, where she worked on standardising HR practices and strategic planning.

She has a post graduate degree in Management for Family Business (MFAB) from the Indian School of Business, Hyderabad, where she was on the Dean's List, as well as a Bachelor of Science in Business with a major in International Business from Salford University, Manchester. Raajitha has also been recognised with several awards, including the Management Simulation Trophy at the Salford Business School and the Most Admired Business Person Contest at the Kelley School of Business.

As an alumna of the ISB MFAB program, how has your education and experience at ISB influenced your approach to leadership and strategy at My Home Constructions?

The MFAB program at ISB has exposed me to an incredible network of people and pushed me to do more with my capabilities. I have dedicated myself to continuous learning post ISB, and this has positively impacted my contribution at My Home.

Being a woman in the real estate industry, which is often seen as not conducive to women, what challenges have you faced, and how have you overcome them to establish your role within My Home Group?

At the outset, I would like to admit that entering the real estate industry was easier for me than probably most other women as I had an established platform to step onto. This position of power allowed me to hire many other women to work alongside me. I have always felt that being a woman has helped me to see things overlooked by a lot of men over the years. I also feel like women have a better Emotional Quotient, which has helped me connect more effectively with our clients.

How has being a daughter-in-law in a business family impacted your professional journey, and what strategies have you employed to navigate family and business responsibilities?

Being a daughter-in-law in the family business is easier in terms of family support, as your absence at home for important work events is understood and appreciated. However, it can get a bit tricky to navigate family time, as there is a very fine line between work and family, which often gets blurred.

My Home Constructions has seen significant success with its residential and commercial projects. Can you share some insights into the strategies that have driven this success?

I attribute the success of My Home to the trust that the brand has built with its customers over the last thirty-five years. We have a large number of repeat buyers who have grown with the brand. Great Locations, timely delivery and transparency are some things that are highly appreciated by our customers.

How do you balance innovation and maintaining quality in your projects to ensure customer satisfaction, particularly with a high referral rate and strong customer engagement?

Innovation is a continuous process at My Home. We aim that every project of ours should be better than our last one. We strive to implement the best technology, and at the same time, we innovate based on customer feedback to find effective solutions.

What is your leadership style, and how do you foster a collaborative and motivated team environment within My Home Constructions to drive the company's growth and success?

My leadership style is that of a servant-leader and is quite democratic. I listen closely to my teams as I feel that they are the people directly interacting with the clients. After we agree on common goals, I give them a lot of freedom to achieve them and they are always welcome to reach out for help in the process. This freedom naturally motivates employees and there is a lot of camaraderie between the teams as they work toward a common goal, understanding that together, everyone achieves more. ●

I listen closely to my teams as I feel that they are the people directly interacting with the clients

Radhika Bharat Ram,
Joint Vice Chairperson,
The Shri Ram Schools

Togetherness binds the family and **appreciating individuality helps the family to thrive**

Radhika Bharat Ram is the Joint Vice Chairperson of The Shri Ram Schools in Delhi-NCR, which ranks among India's prominent educational institutions. She is also the founder of KARM Fellowship for Young Indian Women, which works with driven young women from underserved homes in the area of higher education. Lending her name and voice to pertinent social causes, Radhika currently serves as the Chairperson of the Indian Blind Sports Association & the JPM Senior Secondary School for the Blind.

Radhika is also a Trustee of CAPED—Cancer Awareness, Prevention and Early Detection—an organisation that has been working in the area of awareness creation for women-centric cancers with a focus on cervical cancer. Additionally, Radhika has been a member of the Steering Committee of the CII Foundation Woman Exemplar Program since 2014, which promotes women's empowerment at the grassroots level.

She was conferred the Woman of the Year Awards for 2023 - 2024 by the IMC Ladies' Wing, the SheThePeople 40 Over 40 Award 2024, the IWD

Award 2024 by Public Diplomacy Forum and Mahatma Award for Social Impact 2021. The Women Economic Forum also recognised her as one of the Women of the Decade in Community Leadership in December 2019.

As a woman leader and the daughter-in-law of a prominent business family, how have you navigated the complexities of integrating into both the family and business dynamic, especially at The Shri Ram Schools and SRF Foundation?

As a young girl, I was sensitised to the needs of others and brought up to appreciate the importance of contributing to society. Marriage brought me into a home and family, the DNA of which was and continues to be to contribute to society positively. This environment both reinforced my previously held beliefs and inspired me in a whole new way. Dwelling on my journey in education specifically—it began about twenty years ago, under the guidance of my mother-in-law, Mrs. Manju Bharatram. I learned a great deal by being with her and carefully observing her work. Her conviction and vision laid the foundation for my own career. Integrating into her role was challenging, as I still cannot fully imagine stepping into her shoes. However, the eight years of training I received in the school under her tutelage, before taking on a formal role at The Shri Ram Schools, proved invaluable.

As a board member of the SRF Foundation, my role is to provide strategic direction, focusing on our responsibilities rather than on day-to-day management. We, as a family, believe that education should never be an elite privilege. Through the SRF Foundation, we work to make progressive education accessible to children in rural India. I see myself as a custodian of our family's rich legacy, always mindful that no individual is greater than the institution.

How have you worked to uphold and enhance the family legacy in education and philanthropy?

My husband, Kartik Bharat Ram, and I, deeply conscious of our privilege, wished to leverage both our position and formidable legacy in education. Having worked for over fifteen years with the Delhi Crafts Council and The Blind Relief Association as a social worker, starting something that would enable others in our country was a natural consequence of our combined experiences. In 2020, we founded the KARM Fellowship to foster economic empowerment and well-being among young women from economically disadvantaged backgrounds, with a clear goal of providing hope and transformation for young women, through skill-building, care and mentoring. Our approach is rooted in patience, personal connections, robust support systems, and, above all, in love. We believe that systemic change requires deep, meaningful engagement rather than broad, superficial outreach. Systemic change is critical if we want to see longevity in workplaces for women.

Your work with the KARM Fellowship focuses on empowering young women from underserved backgrounds. How do you envision this initiative influencing gender parity in workplaces over the long term?

Education is a powerful transformational tool, especially for women. It can transform their position in society, empower them with the ability to make choices, and open doors to opportunities that were once out of reach. By equipping young women with education and skills, we not only enhance their individual lives but also contribute to the broader economic growth of the country and, over time, contribute to gender parity.

KARM ensures freedom from economic limitations through real career options, resulting in a rise in individual incomes for women, resulting in a positive impact on the GDP. Empowered and educated women become active participants in the economy, driving progress and development in their communities and beyond.

How do you integrate your philanthropic initiatives with the business goals of organisations like the SRF Foundation and HelpAge India, and what impact have these initiatives had on the community?

Serving on the boards of various

We, as a family, believe that education should never be an elite privilege. Through the SRF Foundation, we work to make progressive education accessible to children in rural India

NGOs and educational institutions has broadened my perspective. While I'm uncertain about how much I have contributed to these organisations, I am certain that working with these organisations has helped me discover my own unique philanthropic style.

Enabling communities is crucial for ensuring the sustainability of interventions. I believe in creating a deep, lasting impact—focusing on depth rather than breadth—unlike in business, where numbers often take precedence. For me, philanthropy is about making a true impact, a principle that also guides my family's approach.

What are the unique strengths that women bring to family businesses and philanthropic ventures, and how can these strengths be leveraged for greater impact, particularly with examples from your roles at the Indian Blind Sports Association and The Blind Relief Association?

Women bring a unique set of strengths to family businesses and philanthropic ventures, most of all, empathy, resilience, and a collaborative spirit. These qualities enable them to build strong relationships, foster trust, and create inclusive environments.

In my roles at the Indian Blind Sports Association and The Blind Relief Association, an empathetic approach has led to a deeper understanding of the needs and challenges faced by marginalised communities. Rather than simply attempting to integrate individuals with visual disabilities into mainstream settings, it is critical to work towards true inclusion, which requires changes in policies, practices, and attitudes so that these individuals can achieve integration on their own terms.

For us, the focus has been not just on solving the problems faced by those we assist, but on co-creating solutions that ensure our interventions are both sustainable and empowering. This insight allowed us to develop more tailored and effective solutions, which are critical for the success of any philanthropic initiative.

How do you envision the next generation contributing to this legacy?

The conversations one has at the dining table with one's children determine a large part of their thinking and choices as adults . In our family, all four children participate in the family council and play an active role in our family meetings, displaying great empathy and compassion. Their awareness and thoughtful opinions leave no doubt in my mind that they will take this legacy forward with humility and add tremendous value to it.

> ***Rather than simply attempting to integrate individuals with visual disabilities into mainstream settings, it is critical to work towards true inclusion, which requires changes in policies, practices, and attitudes so that these individuals can achieve integration on their own terms***

From a legacy perspective, what is most important for us is the sustainability and longevity of the institutions we have created, and how the next generation can ensure that these entities continue to thrive and grow. I also hope that the next-gen creates further entities on their own that will add to the family legacy.

We, as a family, believe that togetherness binds the family and appreciating individuality helps the family to thrive. Therefore, we encourage the next generation members to pursue their passions, while providing them with solid foundations on our core values.

Women in business families often play a crucial role in community connect, reputation building, networking, and philanthropy. Why do you believe these contributions are important, and how have you seen them impact both the family business and the wider community?

Women's contributions to business families are vital, as they often serve as the glue that holds the family together, which in turn allows the business to flourish. Their roles in community connection, reputation building, networking, and philanthropy create a ripple effect that enhances the business's social capital and trustworthiness, which in turn fosters loyalty and long-term success.

Additionally, their involvement in philanthropy often bridges gaps between the business and the community, creating shared value that benefits both. This dual impact strengthens the family's legacy, ensuring the high likelihood of it thriving across generations and promoting sustainable growth, both for the business and the wider society. ●

Lakshmi Venu,
Director,
Tractors and Farm Equipment Ltd (TAFE)

Legacy and innovation go hand in hand. **Both are necessary for longevity**

Lakshmi Venu is a Director at Tractors and Farm Equipment Ltd (TAFE), India's second-largest manufacturer of tractors and agricultural equipment under the Massey Ferguson and Eicher brands. She is also the Deputy Managing Director of TAFE Motors and Tractors Ltd, as well as the Managing Director of Sundaram-Clayton Ltd, which is a leading automotive component manufacturer in India. She holds directorships in various other companies. Dr Venu has an undergraduate degree in Economics from Yale University and a doctorate in Engineering Management from the University of Warwick, UK.

As a next-generation leader in a family business with a long legacy, what were some of the initial challenges you faced when joining Sundaram-Clayton and TAFE and how did you address them?

When you join young, you don't really look at it as a challenge. It seems more of an advantage and an opportunity because you're just ready to learn. You're open to learning from everyone across the company, regardless of function or level. So, instead of seeing it as a challenge, I viewed it as a great opportunity.

When you come in as a next-gen leader in a family business, joining young means you have time on your side. If you have a mindset, that's willing to absorb and grow, then I feel that it is a fantastic opportunity.

How did your academic background and training at institutions like Yale University and the University of Warwick prepare you for leadership roles?

I was very fortunate to attend Yale, followed by Warwick. What a liberal arts

> ***Family businesses are not only about this year's or this quarter's performance. They are as much about balancing investment for the long run as about performing in the short run***

education at Yale does is that it teaches you how to think. My focus major was in economics, but Yale's focus on the interdependency between different disciplines and a systemic approach to thinking has been an invaluable takeaway for me. That is something that I apply every day, whether in business or any other facet of life. In today's world, where things are more cross-functional, dynamic and interdisciplinary than they ever were, having this kind of education proved to be a strength for me in my context. When I moved to Warwick, the PhD in Engineering management gave me subject-specific knowledge and complemented my earlier education. Both together have helped me understand the broader and the more technical aspects of the work that we do.

What strategies have you found effective in blending innovation with the preservation of your family's long-standing business values and traditions?

The strength of family businesses, as much research suggests, is longevity. Family businesses are not only about this year's or this quarter's performance. They are as much about balancing investment for the long run as about performing in the short run.

There's a famous quote: "Culture eats strategy for breakfast." And I think that's the advantage of family businesses, something that we shouldn't lose. In a rapidly changing world, it's important to keep the same values and cultural underpinnings relevant to our times and context to keep it alive.

I personally believe that innovation and tradition need not be contradictory; they go hand in hand. Tradition and values endure, but innovation is critical to enable both longevity and growth. At TAFE, for example, we've always been a learning organisation, thanks to our late Chairman's focus on continuous learning across levels. Today, with a young workforce, we've rethought how we approach education through bite-sized learning, gamification, and a learner-led approach. This is a great example of preserving a value while making it relevant and innovative for today.

On the Sundaram Clayton side, while we have retained our core values, we have over time restructured our auto-component portfolio. We have divested where it didn't make strategic sense and reinvested where we saw long-term potential, such as in aluminium. Due to our belief that aluminium was the metal of the future, we invested disproportionately in it even when it wasn't popular. We believed then that sustainability and light-weighting would be here to stay. So, while we continue to invest in TQM, people, learning, core competence and engineering, we've pivoted our business model. Our values and innovations have complemented each other in our growth journey.

Can you share a specific project or initiative you led that significantly impacted the growth or strategy of Sundaram-Clayton or TAFE?

We have in recent years looked at our growth strategy for the Eicher business very holistically. In tractors, the profile of farmers in rural India has changed dramatically. There has been a premiumisation of the market. In response to that, at Eicher, we came up with a premium line called 'Prima' that is doing well.

We have also looked at multiple growth levers at Eicher. Growth has to be holistic for the business, so on one hand for the Indian tractor market we looked at a premium range & on the other hand we focussed on the engine business as well. For the engine business, for example, we made a strategic decision to get into a partnership with Deutz from Germany recently.

Another initiative that has been important for us is how we've enhanced our business model at SCL. On the engineering side, we've continuously invested in new processes, keeping the business agile and forward-thinking. We've managed to balance traditional strengths with innovations in engineering and strategy, which have had a significant impact on growth.

What advice would you offer to other next-generation leaders in family businesses about driving change and innovation while respecting the company's legacy?

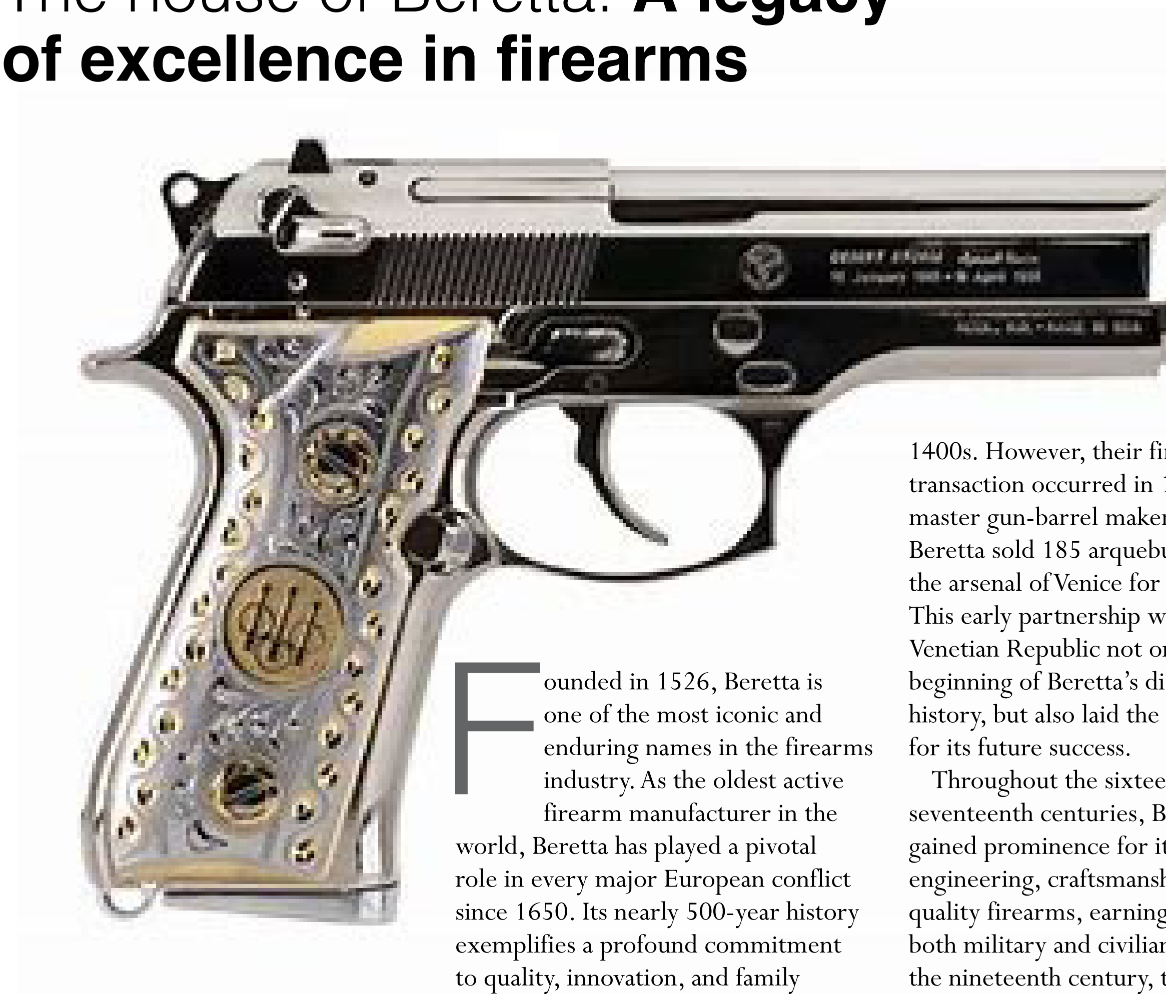
The one thing I would say is: know your business in depth. Legacy and innovation go hand in hand. Both are necessary for longevity. But to be effective and to make an impact, you need to really understand the business inside and out. Take the time to learn and be open to learn.

How important has mentorship been in your journey, and what role do you think it plays for next-generation leaders in sustaining and growing a family business?

Mentorship has been absolutely critical for me. I've been fortunate to have mentors like C. Narasimhan and Professor Tsuda, who played significant roles in shaping my thinking. They taught me how to balance the company's vision with process strength and with pragmatism in reality.

Today, my mother is a fantastic, hands-on and thoughtful mentor, not just to me but to many of our colleagues as well. For next-gen leaders, mentorship is essential in understanding the business, learning how to lead and work in teams, in driving innovation while keeping the values and traditions intact. It's about drawing on the wisdom of those who've been there while also finding your own path forward. ●

The house of Beretta: **A legacy of excellence in firearms**



Beretta's sustained success can be attributed in large part to its commitment to technological innovation. The company has consistently been at the forefront of advancements in firearms technology

Founded in 1526, Beretta is one of the most iconic and enduring names in the firearms industry. As the oldest active firearm manufacturer in the world, Beretta has played a pivotal role in every major European conflict since 1650. Its nearly 500-year history exemplifies a profound commitment to quality, innovation, and family tradition. In this article, we will explore Beretta's historical development, cultural and technological innovations, and most significantly its enduring family ownership, underscoring its position as both a historical landmark and a contemporary leader in firearms manufacturing.

Historical Foundations

Beretta's origins trace back to the town of Gardone Val Trompia in northern Italy, which was a part of the Venetian Republic at the time. The region, known for its hills rich in iron ore, was famous for its tradition of iron smithing, with the Beretta family having worked with iron since the 1400s. However, their first recorded transaction occurred in 1526, when master gun-barrel maker Bartolomeo Beretta sold 185 arquebus barrels to the arsenal of Venice for 296 ducats. This early partnership with the Venetian Republic not only marked the beginning of Beretta's distinguished history, but also laid the groundwork for its future success.

Throughout the sixteenth and seventeenth centuries, Beretta gained prominence for its precision engineering, craftsmanship and high-quality firearms, earning the trust of both military and civilian clients. By the nineteenth century, the company had diversified its product range to include shotguns and revolvers, further establishing itself as a versatile and innovative manufacturer in the firearms sector.

Cultural and Technological Innovations

Beretta's sustained success can be attributed in large part to its commitment to technological innovation. The company has consistently been at the forefront of advancements in firearms technology. For instance, the introduction of the Beretta M1923, a semi-automatic pistol, in the early twentieth century exemplified the company's dedication

to reliability and performance.
This innovation was succeeded by the Beretta M9, which became the standard-issue sidearm for the United States military in the 1980s, further solidifying Beretta's global reputation.

In addition to product innovations, Beretta has been a pioneer in adopting modern manufacturing techniques. The company's use of advanced technology, such as computer numerical control (CNC) machines and precision engineering processes, ensures the highest level of quality and performance in its products. Despite its embrace of modernity, Beretta has also maintained traditional craftsmanship methods, such as hand-polishing and detailed finishing, which contribute to the exceptional quality and aesthetic appeal of its firearms. This integration of traditional skills with modern technology is a hallmark of its manufacturing approach.

The Beretta Family Tradition

A notable aspect of Beretta's enduring success is its status as a family-owned business. The Beretta family has led the company for nearly 500 years, with each generation contributing to its evolution and growth. This long-standing family involvement has fostered a strong sense of continuity and tradition, ensuring the preservation of core values and commitment to quality.

The Beretta family's influence extends beyond the operational aspects of the business. Family members have been instrumental in shaping the company's strategic direction and maintaining its heritage. For example, the current chairman, Pietro Beretta, a direct descendant of the founder, has played a pivotal role in navigating the company through contemporary challenges while upholding its historical legacy.

The family's dedication is also evident in the company's corporate culture and employee relations. Beretta promotes a family-like atmosphere where employees are valued and encouraged to contribute to the company's success. This supportive environment has been crucial in maintaining high standards of craftsmanship and in ensuring the company's continued growth and excellence.

Key Learnings:

Beretta's innovations have set benchmarks for quality and performance, influencing global firearm design and manufacturing standards. Its long history and unwavering commitment to excellence have made Beretta a symbol of reliability and prestige within the firearms community.

Beyond its product offerings, Beretta's legacy extends to supporting shooting sports and firearm safety initiatives. Through various sponsorships and programs, it has contributed to the development of shooting disciplines and the promotion of responsible firearm use. Beretta's ability to seamlessly blend traditional craftsmanship with modern technology is the cornerstone of its enduring success. ●

References:

Beretta - Firearms, Clothing & Accessories for Hunting and Shooting

Source:

1: Gunsinternational.com

2: BERETTA on X: "Cav. Ugo Gussalli Beretta, the renowned firearm industry visionary, recently made a special visit to the Beretta USA Gallatin TN factory. Carrying forward the rich legacy of the Beretta family, Ugo has been instrumental in leading the brand to new heights in the U.S. #Beretta https://t.co/CJajVPm32q" / X

BERETTA USA on X

3: A Visit to Beretta I Article I The United States Army By Mark Turney

Flavours of heritage:
The Cookme story

In Indian culinary tradition, each household treasures its unique blend of herbs and spices that gives every dish its cherished flavour. For years, Cookme, a Kolkata-based spice brand, has brought the authentic taste of home to countless kitchens, continuing a legacy that began modestly in 1846.

Krishna Chandra Dutta, the founder, established a spice shop in Dharmahata, in the Burrabazar area, primarily trading in spices. The shop initially had no name, but Krishna's son, Natbar Dutta, later named it 'Keshto Dutta r Moshlar Dokan' in his father's honour. Unfortunately, Natbar passed away in his late thirties before the business could fully flourish, leaving his nine-year-old son, Judhishtir and his younger siblings behind. "The shop was deceitfully taken over by an employee as Judhistir was a kid. Young Judhishthir was reduced from an owner to a worker in what was once his family's business". However, through sheer determination, he reclaimed the shop, overcoming adversity with grit and resilience.

While Judhishthir was blessed with both business acumen and a keen work ethic, his empathy for the women in his household, who spent long hours in the kitchen, was what truly set the company on its path to success . One day, when a worker asked if he should discard broken turmeric sticks that the customers didn't want, Judhishthir saw an opportunity. He instructed the worker to grind the turmeric sticks using a traditional shil-nora (stone slab and muller), turning them into

turmeric powder. When he brought the powdered turmeric home, his wife was initially hesitant to use it. However, after adding the powder to the curry, it changed colour but smelled the same and tasted just as good as when whole

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turmeric was used. Judhishthir realised the potential to save women time in the kitchen by offering pre-ground spices.

A keen businessman, he began giving turmeric powder for free along with whole spices to spark demand for the powdered form. He branded it 'Cookme', inspired by Bengal's fascination with the English language. Cookme's spices brought a new level of convenience to Bengali households, especially benefiting women by reducing the time needed for meal preparation. As a result, the once ubiquitous shil-nora(Stone slab and muller) was relegated to the back shelves of the kitchen.

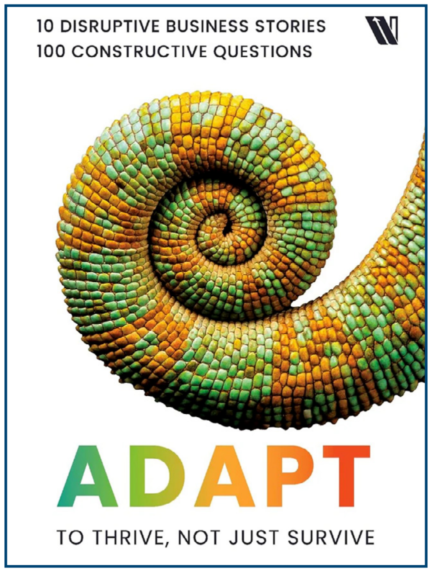
Judhishthir's son, Atanu Dutta, joined the family business at the age of fourteen, continuing the tradition of innovation. While the company had popularised hand-ground spices, it soon became clear that meeting the growing demand with traditional methods would be impossible. Atanu introduced a pulveriser machine to make the grinding process more efficient. He also replaced the old paper pouches with branded packets packed by automated packing machines inscribed with the words 'Magical Secret Ingredient'.

In 1958, Cookme was officially registered as a brand under the company name 'Krishna Chandra Dutt (Spice) Private Limited'. The 1970s marked a period of rapid growth, as Atanu expanded the product line by introducing blended spices like Tarka Masala, Chicken Curry Masala, and Malpua Mix. In the late 1980s, he without the help of an R&D team developed a curry paste that received a fourteen-year patent and quickly became a staple in Bengali kitchens. Atanu also introduced ready-to-cook spices, simplifying the preparation of dishes such as dhoka and radhavallabhi.

In 1994, to meet increasing demand and to expand operations, Atanu established a new factory in Bangalore. Today, 97 per cent of Cookme spices are produced at this state-of-the-art facility, with the remaining 3 per cent manufactured at the Kashipur factory in Kolkata. The Bangalore factory is equipped with modern machinery and a laboratory to ensure the highest quality standards. Shubhamoy Dutta, one of Cookme's directors and the fifth-generation successor of Krishna Chandra Dutta, emphasises the importance of quality control: 'Quality control is our top priority. We don't want to deceive the public as it would harm our business. Therefore, we ensure that no spices leave our factory until both the spices and their packaging meet all standards. We take great care and effort in this process.' Cookme uses minimal preservatives, most of which are natural and crafted in their own laboratory.

Shubhamoy Dutta joined the family business due to his father's illness, carrying on the legacy that began at the original arat or gaddi (seat of business) in Dharmahata, and now extends to the gleaming four-story Cookme office on Maharshi Devendra Road. Shubhamoy maintains that although his father never pressured him to join, he subtly nurtured Shubhamoy's interest, involving him in business matters without imposing his views. Over time, the business became an inseparable part of Shubhamoy's identity, blending with his ambitions and securing its place in his heart.

Today, Cookme continues to uphold the Dutta family's legacy, which is to build and sustain the business with the same passion and hard work as their forefathers. The business is legally shared between Shubhamoy and his sibling, an arrangement that ensures the shares remain within the family. With an annual turnover of around Rs 200 crores and a team of 250 dedicated employees, Cookme is spreading the aroma of its spices and making its mark across the country. ●



Source for photos: Google

Adapt: To Thrive, Not Just Survive
Harit Nagpal

Adapt: To Thrive, Not Just Survive is not your usual business book. That becomes clear the moment one sees the striking front cover, which depicts the tail of a chameleon, hinting at what the book is going to be about. Nagpal, here, takes up the onerous task of answering a question that almost all businesses face, at least once, during their existence—What does a business do when the world (or market) that it engages with changes, such that the strategies and practices that it used up till then, no longer work? Changes could be changes in consumer demand, technological advancements, market segment alterations, etc. In the post-COVID world, this question gains even more significance, for we know now that the future holds great unpredictability. Nagpal, having a wealth of experience from having worked in companies like Pepsico, Vodafone, Shopper's Stop and now as the MD & CEO of Tata Play, is in a unique position to talk about adapting in unpredictable times.

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In *Adapt*, Nagpal departs from the conventional business-book format, where the writer delves into the anecdotes and incidents from their own professional life to give business insights to readers. He presents ten fictional stories set in different locations (or markets) encompassing a diverse range of products. The stories deal with concepts such as how to create a brand that connects, how to navigate targeted segments, how to aim for lower failure and faster recovery, how to create a productive work culture, how to stay relevant and grow your markets, how to craft compelling propositions, etc. Taking us for a ride around the Universe—literally from Dhaka to Barbados to Europa (a moon of the planet Jupiter)—Nagpal brings forth engaging narratives of fictional family businesses, new businesses, entrepreneurs, and start-ups. In addition, at the end of each chapter, he has included a valuable resource for readers—ten questions to prompt them to reflect on their own business and consider new perspectives. With the diverse range of stories in this book, most real-life businesses would probably be able to identify with some of them. Each story presents a wealth of tips, suggestions and insights, making the book a valuable resource for businesses, and empowering leaders and managers.

Nagpal's decision to use a fictional style has resulted in a highly relatable book, which at the same time conveys complex business concepts to readers regardless of their level of business expertise. And yet, even if a reader has no interest in business, adaptability, or survivability, they will still be able to find pleasure within the pages of *Adapt*—as an anthology of ten highly enjoyable stories. That's the beauty of this highly-recommended book! •

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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