

A LOVE FOR COOKING & POPCORN FICTION

RELIGION

I believe in god, I am fairly religious, not many people know that about me. I like going to Tirupati once a year; we are all under stress and pressure, and need to know there is a higher power. But it's not a daily thing.

COMMUNAL DIVIDE

In my school in Pune, there were eight or 10 kids in my class who by a surname could tell the caste of the person, and I would wonder how they did it. I wasn't brought up like that. For me it never mattered. Such polarisation does the greatest harm to our system; if you divide the country in the name of religion you are taking away from the DNA and magic of this country.

READING

I love reading... popcorn fiction, magazines. I love Matthew Reilly, David Baldacci. I spend a lot of time on planes, so I need to read something that is not stressful and is fun. I like *Popular Science*, *Popular Mechanics*. Newspapers I read on my iPad because some of them are not available in print.

MOVIES

Action movies... I love going out to the movies with my friends now that the theatres are so nice. With the kids, of course, I watch a certain type of movies.

RELAXATION

I have three children — 9, 7 and 4. I spend time with them in the evenings. This morning my youngest daughter got up at 5.30 and crawled into my bed and cuddled with me... that is most relaxing for me.

FITNESS

I exercise every day for about 45-60 minutes on the treadmill and cross-trainer. I do it without a trainer.

FOOD

I love food. But I am very controlled in what I eat now. I've lost about 14-15 kg in the last three years through exercise and diet. For breakfast it is *dalia*, and two bowls of fruits in the day... I eat every 2-3 hours.

FAVOURITE CUISINE

Simple Japanese food — sushi and sashimi. I am non-vegetarian but eat less of red meat now. I love fish and South Indian food. Every Sunday it is an *idli-dosa* breakfast.

COOKING

I love cooking; I learnt to cook as a kid. I make eggs, pasta and so on for my kids. A few weeks ago, for my birthday they baked a cake; it was from a packet but still they loved to make and decorate it.

MUSIC

I love western classical, mainly jazz. My mother plays the sitar... I enjoy Indian classical instrumental music.

FAVOURITE CITY

We went this summer to Italy with the kids; it was very beautiful and relaxing. I like Singapore, too, it's very safe, self-contained.

Building beyond biz



Scion of a leading industrial family, Amit Kalyani roots for corporates with a social conscience.

RASHEEDA BHAGAT

He is the scion of Pune-based Kalyani Industries with an annual turnover of Rs 12,000 crore. The only son of Baba Kalyani, who started Bharat Forge as a small company, Amit Kalyani speaks the usual corporate lingo of ROI, P&L, internal strategy to survive tough times, and the like. But he also realises the need, as “a businessman and individual, to give back to society. We have to look beyond business. One fault in India is that we tend to look at business at the cost of other things such as the environment or other people, but such business is not sustainable.”

After his schooling in Pune, Kalyani graduated in mechanical engineering in the US in 1998, worked there for 18 months in a steel manufacturing company, and returned home to take charge of a new forging line and reimplementation of enterprise software SAP at Bharat Forge. Slowly he became involved with finance and strategy as the company acquired businesses abroad. “Also, when you are growing you have to communicate to the market what you're doing. For a small Indian company — then we were Rs 500 crore — to buy a 150-year-old German company as big as us, if not bigger, was not a joke. Later, we did more acquisitions,” he says.

SPEED OF ACQUISITIONS

In hindsight, did the acquisitions come too fast?

He doesn't think so, “because we didn't over-leverage, or have too much debt. Even today our debt-equity is 0.52-0.55; we have a very strong cash balance. In terms of strategy we've been fairly conservative, never overpaid for acquisitions.” Of course, there have been joint ventures, such as the one in China, which didn't generate expected returns; “we've been patient, our team is racking its head trying to turn it around but it's very difficult.”

But the group has seen substantial growth in size, capability, finance, customer base and reputation. And, its conscious decision to diversify into non-automotive sectors has paid off. Almost 40 per cent of its Indian operations are in non-auto sectors — oil and gas, railways, power, mining, shipping; this was 5 per cent about eight years ago.

On his role vis-à-vis his father's in the business, the younger Kalyani says his father is “very hands on, runs the business and makes the final call”, but he listens to a core group, including him, involved in strategy.

On whether father and son have differences of opinion, he says: “I definitely give a different point of view and there is always a discussion. He has the advantage of 40 years, of seeing ups and downs and having built the business from scratch — that is very difficult to replicate.” The qualities he admires the most in his father are “his ability to see both the big picture and the details. That is really amazing; and his focus on technology. He is

64 but very technology-oriented. I would say he is obsessed with technology.”

Another person he admires is Kumar Mangalam Birla, Chairman of Aditya Birla Group; “the way he has remarkably transformed his business, so professional, well-organised, and very successful. Hats off!”

Kalyani is involved in meeting investors and the financial community “because the outside-in view is very important for any business, as it gives you a different perspective.” He invites me to take a tour of the plant, which is technology-driven; “our business is purely safety- and performance-oriented, and here the key ingredient is technology... our whole DNA, thinking is around technology.”

On the future, he says they have the potential for huge growth, being present in the right sectors, and when the economy turns around these sectors will offer huge opportunities. The key is to be ready to benefit when that happens.

GROWING PAINS

Why has the Indian growth story soured, and the world's admiration of us reduced, I ask him.

He thinks the main problem is “implementation of governance issues at a systemic level; it is not just India but the whole BRICS thing. The Goldman Sachs guy has almost apologised saying, ‘I created this monster called BRICS, which has not delivered.’” But, he says, these are “growing pains. There are two sides to India; in the last 60-100 years, so many countries have got independence. But how many have remained democratic? That is the big strength of our country and also our weakness.”

He feels there is not enough focus in the country on crucial areas such as education, infrastructure, healthcare... “you do that and everything else will follow. We are today running very hard as a country, shooting ourselves in the head, stomach, foot, everywhere, and there is no direction or focus. It is very sad.”

Kalyani says there is dialogue between Government and corporate India and gives the example of West Bengal Chief Minister Mamata Banerjee, who recently met industrialists in Mumbai. “She made a very impassioned plea to industry to come to West Bengal and gave remarkable statistics about zero work-stoppage... she has banned work stoppage. She said they have improved power availability three times, increased tax collection by 40 per cent, and acquired land which is ready and available for industry. So dialogues are taking place.”

Would he say policy paralysis has ended with the latest slew of reforms, such as FDI liberalisation?

“We'll believe it has ended when we see it impacting business on the ground — like they say in the US, ‘when the shovel hits the dirt’. You can talk about policy changes, but the shovel has to hit the dirt.”

His ultimate dream is to put up more educational ventures such as the Industrial Training Institute run by the group near Pune. It takes about 400 students and is rated one of the best. “The students are so good that we are not able to get them; they are being hired by Volkswagen and GM at twice the salary we would pay, and I'm very happy with that.”