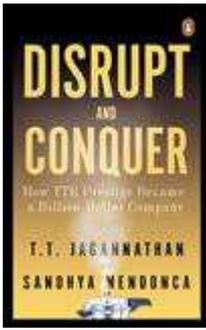


The Karma of Business



Excerpts from the chapter 10 of the book

Disrupt and Conquer: How TTK Prestige Became a Billion-Dollar Business

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It is the karma of a businessman to run a successful business.

Do I consider myself a lucky person? Yes and no. When Napoleon wanted to pick one of five generals to lead a battle, his advisers suggested the names of those who had won previous wars. Napoleon said, 'Tell me who is the luckiest. That's whom I want.' You need to have luck, and, fortunately, I have had it.

Let me give you some examples of luck. Paytm, the electronic payment company, was struggling for six years until the government demonetized the rupee in 2016. Paytm's business has now grown to such an extent that *Time* magazine listed its founder, Vijay Shekhar Sharma, on the 2017 *Time* 100, the publication's annual list of the 100 most influential people in the world. Is that luck or isn't that luck?

Similarly, Sunil Bharti Mittal, whom I used to know very well, got lucky. He was in the right place and at the right time. We were both in manufacturing. I was making pressure cookers, while he was making landline telephones. He started by making a telephone called Beetel in Ludhiana, which was not a very big product. When the government opened up the telecom industry and invited applications for licences, he moved from manufacturing to telecom services. He didn't invent the mobile phone, but by moving from manufacturing to providing mobile telephone services, he grew Bharti Airtel into a global telecommunications company. That's great timing.

On the other hand, there was a phone manufacturer here in Bangalore who was even bigger than Beetel and had a Swedish collaboration. This company died because it was just making landline telephones and could not survive in the world of mobile telephony.

A different kind of luck

I didn't have the kind of luck that Sharma and Mittal did, but I have had luck of a different kind, which has included a combination of logic, blessings and self-belief.

I had luck in the sense that I followed logic and did the right things accordingly. Now, that doesn't necessarily lead to success. If luck is not with you, everything can fail.

The most important factor in my success was my parents' blessings. My father supported all my decisions. If I felt depressed, I would go talk to my mother and she would say, 'You will pull it around, Jaggu. Don't worry. I know you will pull it around.' The blessings of my parents have seen me through.

When Hanuman was entrusted with the task of finding Sita, he wondered how he would make it across the sea to Lanka. Jambavan told him, 'You don't know this, but if you leap, you can cross the sea.' Similarly, my mother used to tell me constantly, 'You can do it,' and I was able to do what I did.

God and karma

Somebody once asked me if I was a spiritual person. I find it hard to define the word 'spiritual'. I believe in God. I am not a great one for rituals, pujas and *homams*, but I certainly believe in God and I believe in the theory of karma. Somewhere, karma kicks in.

I rationalize that, good or not, everything happens because of it. Karma is what you have done; it can't be changed but it can be mitigated by doing good things. I don't particularly do any good things because I don't do any bad things. In our religion we don't have tombstones, but if I were to have one I would like it to read, 'He didn't harm anyone.' That's all. I won't claim that I have done a lot of good, but I have employed 20,000 people and have never renege on paying their salary, not even for a day. That's my share of good.

I think that it is the karma of the businessman to run a successful business. Except that I am an accidental businessman.

Patience

I am an extrovert and I like people, but I am not always cheerful. As a Gemini, I have two facets to my personality. When disaster strikes I get depressed. I go into a shell and start thinking about how to solve the problem. I go home and don't speak to anybody. I watch TV and play cards while trying to figure out a solution. I play two hours of Patience every day, I play for an hour in the morning before I read the newspaper, and for another hour in the evening. I play ten different kinds of solitaire.

I enjoy playing Blackjack and have had memorable wins at casinos. My final paper in Cornell in probability theory was on Blackjack. After the exams I went to Las Vegas and won a ton of money playing Blackjack. Another time, when we were holidaying with a group of friends and families, all our money was stolen at the airport in Nairobi. Those were the days before credit cards, and all we had was mostly cash. I went to a casino and won a handsome amount.

Never accept defeat

I never accept defeat, be it in business or in a sport. This is what spurred me to take up golf. I had once accompanied a very close friend, Dr Srimurthy, to the golf course in Ooty. He is a very good player, and when I walked along with him for three holes, I said, 'This is very easy. Give me one of those sticks, I can also play this game.' It was heresy. I put the ball on the ground but I couldn't even touch it, though I took ten shots at it. I was very irritated that I could not hit a stationary ball, and it had no spin or googly, unlike a cricket ball.

I was taken aback as sports came naturally to me. I had played tennis for India as a junior. We had a tennis court at home, and I had started to play when I was ten. When I was fifteen, my contemporaries were Vijay Amritraj, who is three years younger than me, and Anand Amritraj, who is a year younger than me. The three of us had the same coach, Ramarao. I was playing very good tennis until the coach changed my grip from my natural flat hand to the shake hand that was popular those days. I could not get used to the new grip and my game was destroyed. I did not play at the professional level after that, though I captained the tennis team at IIT. Today, ironically, everybody plays with my grip, but that's how life can be sometimes.

I could not accept my inability to play golf and decided that I had to learn to play this game. I became a corporate member of the Bangalore Golf Club, bought a set of clubs and started playing by myself. I refused coaching and developed a very unorthodox style. But I enjoyed the game and used to play two rounds nearly every day of the week. It has been five years since I played, though, as I have fibrosis of the lung, which makes it difficult to walk for long. I had taken up golf thinking I could play it until I was ninety. In recent years, I have switched to my old passion, bridge. I play bridge three times a week, mostly at tournaments in various clubs in Bangalore.

Three simple rules of business

I don't go around giving lectures or advice. I refuse invitations to address management students, but now seems like a good time to say a few words about my learnings in running a business. I would not venture to advise anyone setting up a business today about the nature of their business. Today's conditions are so different. Every start-up is digitally based, and I belong to old business. But the rules of running a business would be the same.

It's good to have an MBA, but you don't need a business degree to run a business. After all, the MBA is a recent phenomenon. Vanderbilt, Rockefeller, Carnegie, Kennedy, J.P. Morgan—none of them had an MBA degree. If you take a look at the founders of Flipkart, Big Bazaar, Ola—none of them are MBAs either, and they have done a great job.

I have three simple rules for running a business:

1. Get down to the office every day.
2. Look at the details. Don't see the big picture, look at the small picture. The big picture will look after itself.
3. Apply your common sense, and not just what you read in textbooks.

It's important that you get to work every day and you look at the details, because it's in the detail where you lose money. You only have to look at our business to see how things can go wrong if one looks only at the big picture. My father started businesses that were great. The big picture was fantastic, it was in the detail that it went wrong and in the way everything was executed.

You need acumen and a lot of common sense. You must not be afraid to apply your common sense. It's largely the elementary things that work. When I came up with the GRS for the pressure cooker, all I invented was just a hole in the lid. But the company would have gone bankrupt if not for that hole in the lid. All it took was common sense to fix the problem.

Get to work every day, look at the details, and use a lot of common sense, the most uncommon trait of all.

A legacy

These rules have helped me put the TTK Group and all the businesses in the conglomerate on a sound footing.

They have helped me steer our flagship TTK Prestige's growth from a single factory to five factories, twenty-three warehouses, multiple innovation centres and a network of 50,000 retailers across India. We have an international presence through supplies to Original Equipment Manufacturers (OEMs) in the UK, Europe, US, west Asia, Africa, south-east Asia, Australia and New Zealand.

In 2003, TTK Prestige was worth about Rs 100 crore; in 2013, it was worth Rs 1300 crore. We became one of the most admired companies in the stock market too. Our share price initially shot up to Rs 4000 and then continued to rise. It has been averaging over Rs 6500 this year (April 2017 onwards) and at times, nearing Rs 8000. The company's market capital now exceeds Rs 8000 crore. These numbers power our growth and motivate us to keep innovating and expanding.

We are now the number one brand in both pressure cookers and cookware. We are the only Indian company to offer the complete induction-cooking solution. We are also the number one brand in value-added gas stoves, and we are India's largest kitchen appliance company. What is gratifying is my certainty that you will find a Prestige product in each of the nearly 300 million households in India.

Had I started my journey as a businessman with zero capital, I would have been ten times richer than I am now, but I began with a colossal deficit. There has never been a dull moment on this journey. I fulfilled my father's desire to pay off the Group's debts, built a sound foundation for the business that has been in the family for three generations, and I am leaving it in the secure hands of professionals. I have enjoyed the risks I took and the disruptions I caused along the way. This is the true measure of my success as I get ready to hang up my boots.



The Sustainable Development Goals (SDGs), otherwise known as the Global Goals, are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity.

These 17 Goals build on the successes of the Millennium Development Goals, while including new areas such as climate change, economic inequality, innovation, sustainable consumption, peace and justice, among other priorities. The goals are interconnected – often the key to success on one will involve tackling issues more commonly associated with another.