‘Trusting entrepreneurs key to India’s success’

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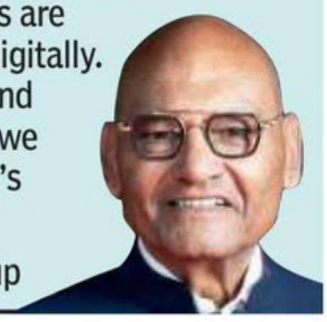
Mumbai: Anil Agarwal, the billionaire-entrepreneur with his origin in Patna in Bihar, is putting in place a plan that would see every Vedanta group company being managed by professionals, and not by any of his family members. The majority ownership of these companies, however, would remain with the group’s London-listed company in which the family has majority ownership. Agarwal has set a $100-billion market capitalisation target for the group companies together for the short term, up from about $55 billion now. And, he also wants at least 35% of the group’s workforce to be women, up from 22% now.

Agarwal, who completed 50 years of his entrepreneurial journey this year, spoke to **TOI**. Excerpts:

ON GOVT’S EASE OF DOING BUSINESS

> We don’t need to go into those details. How the govt does its job is up to them. All I’m saying is that whatever the process may be, whatever clearances are required should be done electronically, digitally. Approach the whole process positively and support them fully. These are the things we need to talk about, especially with today’s young people as well
>
> —**Anil Agarwal** | Chairman, Vedanta Group



■ Turning into an entrepreneur over 50 years ago

I came to Bombay (now Mumbai) from Patna in end-1975. In Patna, my father had a factory for iron grill gates and aluminium conductors. I worked there with him for five years and learnt the trade. In those days children in business families used to work from a very early age, alongside their studies. I started at 14.

■ First public listing for a group company

We listed Sterlite Cable and continued to grow the company. We started with cable, then set up a copper rod plant in Lonavala, and later set up a copper smelter in Tuticorin in the south. We used imported technology and machinery for these plants. That was the turning point.

■ Going global...

In 1989, we made our first attempt to settle abroad. We stayed in New York for four years but did not find much success. Then in 1991, the Narasimha Rao govt came to power in India. During his time, the licence raj was abolished. And in 1992-93, we came back to India, set up a jelly-filled cable factory, and there was a lot of growth. Then, in 1995, we acquired another factory in London, named Dura-Tube, for $3 million, ran it for a few years and then sold it for $7 million. After that, when we went to London, it took us three or four years.

■ The metals empire and more...

Currently, across the listed and unlisted entities, we have 10 major companies. We have very large operations in aluminium, copper, zinc, lead, silver and some other metals. We also have a very large renewable business. Our transmission business is also very strong.

■ Management’s visions and style...

Our vision is that, given our present position, our market cap will reach $100 billion in about a year or two. And in the long term each of these companies have the potential to become $50–100 billion companies. As for the management style, professionals will run the companies on an incentive basis. Our foreign company, owned by the family, will hold 54% in each of the ten companies. There should be a legacy of building very good companies with strong rules and regulations. Another goal of mine is, across all our businesses women should constitute 35% of the workforce. At present, our group’s revenue is around $30 billion. In two years, it should be $50 billion. And over the next three years, we are investing $25 billion to expand what we are doing. It is a very large investment, and once this is completed, our overall capacity will more than double.

■ On changing business environment in India

India is a country where people are born entrepreneurs. The more you trust and support them, the more the country will progress and the more employment will be created. That is the key.