

» BUSINESS (Tata)

CANDID Conversation...

Ratan Tata, the scion of the Tata Group, loosens up a little and gives SMU students a peek into his life and personality.

By a STAFF REPORTER



Success comes with a price and someone like Ratan Tata too has not been spared. His actions and life have been under so much public glare and scrutiny that millions of people watch his every move.

In an interaction with students of Singapore Management University, under its India Initiatives, Tata Group's Chairman Emeritus said that one of the sacrifices he has made is losing his anonymity. "If I'm walking on the beach, I usually get stopped by someone asking for a job or complaining about his Tata product. And with that comes a defense mechanism."

But it is the small things in life that makes the Tata scion happy. "My happiest moments are when I go home and be with my two dogs. They don't seek anything from you except affection and attention."

Today, the Tata group operates across six continents, with businesses in seven major business sectors, including communications and information technology, engineering, materials, services, energy, consumer products and chemicals. It employs over 450,000 people around the world, with revenues of more than US\$100 billion in 2011-2012. Just as Tata companies have risen to the top of their respective leagues, the Tata brand has also gained international recognition, valued by Brand Finance to be

worth US\$16.3 billion.

In his opening address, Professor Rajendra K Srivastava Provost & Deputy President (Academic Affairs), SMU said that Ratan Tata has guided the Tata Group over the last two decades with an annual growth rate of over 20 percent. "Much of this growth has come in previously uncharted territories and uncertain paths – away from heavy manufacturing into emerging services sectors such as hospitality software, consultancy and telecommunications and from largely India-centric businesses into a global concern with a footprint across 85 countries."

Talking of the various acquisitions that the Tata Group has made in the recent years, Tata said, "Whenever we have made an acquisition, what we have done in a quiet way is to satisfy ourselves with the DNA and compatibility (of the company that we are acquiring)." For example if a company had an armament division or if it made landmines, we would not acquire it. "Unless we are sure that we can co-exist only then will we make the acquisition," he said.

He also said that India and China could forge a very powerful economic bloc. "I really believe that India and China would forge a very powerful economic bloc if we were to find a way to work together. I think India has a lot to



Sharing a light moment.



Ratan Tata responding to questions from an SMU undergraduate at the Dialogue Session.



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gain from Chinese companies in the manner in which the Chinese do business. The way they have succeeded has been exemplary to us."

While stressing on the need for more co-operation between the two countries, Tata said that the Beijing government has played an important role in the development of Chinese enterprises. He also cited the example of Jaguar Land Rover and Cherry Automobile joint venture near Shanghai. This is a good example of the joint venture investment, which would see Jaguar for the first time making products outside the UK and exporting to the global market.

"It (the joint venture) is going to be an eye-opener, how a Chinese partner will bring ingenuity and creativity to their job and we should be opened to it," said Tata.

Replying to a question on growth of India, he said that the country could re-establish its economic growth at 7 per cent plus rate in the next couple of years but it will not be able to achieve over 8 per cent it had prior to the 2008-09 global financial crisis. While the recent steps announced by the Indian

Government have restored investor confidence to some extent, more could be done. Some of the earlier steps taken by the Government resulted in the country's economic growth rate slowing to five or below-5 per cent.

"To many, it has been like a recession. I think we will re-establish at 7 plus per cent growth rate in couple of years driven by the fact that we have got pent up demand in the country. But it is not going to be as attractive as it has been in the past," said Tata, who retired from the group last year.

Earlier Srivastava also highlighted several similarities between the Tata Group and SMU. He said "From the very first batch, Ethics & Social Responsibility has been a required course in the University Core for all SMU graduates." He said that the institute emphasized on character building and community building. "SMU's CIRCLE Values of Commitment, Integrity, Responsibility, Collegiality, Leadership and Excellence, developed by our faculty and students are in close alignment with values espoused Ratan Tata in building the reputation of one of Asia's great business houses."