

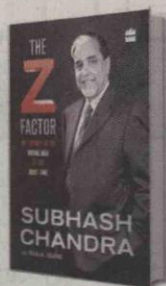
Rising Against All Odds

Subhash Chandra's journey up the corporate ladder can be a lesson for all business management students

COOMI KAPOOR

SUBHASH CHANDRA's book is essential reading for every business management student. It offers case studies of the kind which the text books will not teach. His fascinating *mea culpa* explains just why India is different for doing business. When Chandra started at the age of 17 in a small town, Hisar in Haryana, the odds were stacked heavily against him. Chandra had no money, little education and no support system. He became one of the richest men in India by working the system. He gambled big, talked his way into making friends in the most unlikely places and while he did not have the advantage of the posh old schoolboy network, wherever he went, he managed to dig out a Hisar connection which invariably opened some door for him. He broke the rules with impunity when the need arose and cheekily pioneered new enterprises even before the government had framed policy regulations in that sphere.

Business was in Chandra's blood from birth. As a 12 year old, he travelled in trucks to *mandis* in Delhi, Ludhiana, Hoshiarpur and Pathankot to collect money from commission agents, kept a list of commodities and scrupulously scrutinised the expenses of his grandfather's employees. To pay off family debts, Chandra used his ingenuity. He befriended Food Corporation of India (FCI) officers at the lower levels and, with their help, managed to best an established cartel while bidding for tenders for processing



THE Z FACTOR: MY JOURNEY AS THE WRONG MAN AT THE RIGHT TIME

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grain. He avers that he did not bribe his FCI friends "but I did help them in cash and kind whenever they asked." They, in turn, ensured he had the lowest tenders. Throughout his career, people had a way of helping him out.

Chandra's first big break came in 1981 when he swung the highly lucrative contract from the Soviets for supplying basmati rice to the USSR. In those days, the contracts under the rupee-rouble trade agreement were

spectacularly profitable, but you needed contacts at the very highest level to secure them. A distant relative from Hisar introduced him to Dharendra Brahmachari. The yoga guru took him to meet Rajiv Gandhi, then a general secretary of the Congress and Indira Gandhi's heir apparent. Gandhi took a shine to Chandra since he had helped the Gandhi family in small ways when they were out of power. The understanding was that a fair share of the profits from the rice exports would be returned to his benefactors. When he started supplying rice, Chandra realised that the profits were even larger than he had anticipated. The earlier supplier had exported cheaper parmal instead of basmati and Chandra continued the tradition. He lost the contract two years later, when the Brahmachari decided to form his own company rather than use Chandra as a go-between. But, in the meantime, Gandhi and his aide Vijay Dhar discovered that the trusted family retainer had been siphoning off some of the money and not handing it to them. A terrified Chandra was ordered to testify before the then Prime Minister Indira Gandhi the actual amount he had paid the yoga guru. That proved to be Brahmachari's undoing and soon, he lost his clout with the Gandhi family.

From tendering for grain contracts, making poles for the Posts and Telegraphs and rice deals, Chandra moved on to launching a packaging business and opening a massive amusement park, Essel World, in Mumbai. Despite opposition from some powerful state politicians and protests from environmental-

ists, his PR agency successfully sold the idea, claiming it was to honour *chacha* Nehru's love for children on his birth anniversary.

Broadcasting was, of course, Chandra's most audacious venture. He dreamed of starting a satellite TV channel in India at a time when the law prohibited domestic private networks. Undaunted, he flew to Hong Kong to discuss a partnership with the then owner of STAR, Richard Li. The latter was too snooty to deal with an unknown rice trader. Chandra finally got Li's attention, offering five times the market rate for a transponder at \$ 5 million. Against all odds, he launched an Indian channel from Hong Kong, becoming an NRI in the process. It was Zee's amazing success as an entertainment pioneer which inspired many others to enter the TV business in India, including STAR, now owned by Rupert Murdoch. The Indian government had perforce to frame guidelines and laws for the burgeoning new industry. Zee TV's content can be questionable at times, whether it is the witch hunt against steel magnate Navin Jindal or the recent coverage of the JNU students' protest.

In the meantime, Chandra's incredible journey continues. Extremely close to some quarters in the present government — it is rumoured that he may be nominated to the Rajya Sabha — he is, these days, also into building infrastructure and is working on several major road projects under the PPP model. He now wants to help develop smart cities, one of the new mantras of the Modi government. True to type, Chandra sees opportunity at every turn and tries to grab it.