

## ET Awards 2008-09: Lifetime Achievement Award- Keshub Mahindra

On August 24, 2009, Economic Times announced the Lifetime Achievement Award 2008-09 for our Chairman, Mr. Keshub Mahindra. The award has been bestowed on him for 'decades of service to Corporate India'.

The Lifetime Achievement Award salutes those who have conquered the peaks of corporate achievements and set example for the current generation.

The jury members for this prestigious award included industry leaders such as Azim Premji, Kumar Birla, Sunil Mittal and Deepak Parekh.



Read on for a story in *The Economic Times* dated August 25, 2009.

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Keshub Mahindra has won the Economic Times Lifetime Achievement Award after the jury decided to reward his contribution to building Indian industry. This may sound like an oxymoron but it's true: he's India Inc's gentleman entrepreneur.

From the days of stringent government regulation to the free-market economy, Wharton-educated Keshub Mahindra has guided his flagship company Mahindra & Mahindra with a steely resolve to excel, despite all adversities. To grow without taking the tempting short-cuts.

The company, which he joined in 1948 with a turnover of Rs 97 lakh, now ranks among the country's leading corporate houses with a turnover of close to Rs 12,649 crore. It is today a market leader in utility vehicles and tractors. Mahindra & Mahindra (M&M), as the company is now called, had a modest beginning when two families — the Mahindras and the Mohammeds — came together to float a steel trading company in 1945.

The company was then christened Mahindra & Mohammed. The Mahindras were represented by brothers JC Mahindra and KC Mahindra, then senior bureaucrats in the government, who wanted to give shape to their entrepreneurial vision. The Mohammed family, which was led by Ghulam Mohammed, divested its stake as Mohammed migrated to Pakistan post-Partition to become the first finance minister and later governor general of Pakistan.

M&M started off as distributors of imported Willys jeeps. The company's entry into the jeep segment — in the mid-1950s — was timed perfectly as General Motors and Ford were leaving India, unhappy with the government's insistence on setting up assembly lines. Though the company grew when tractors were added to its product portfolio, its functioning was thwarted at every step by the rigours of the licence-permit raj.

Mahindra experienced the frustrations felt by most Indian businessmen when his passion for manufacturing passenger cars was put in the deep-freeze, thanks to the government's refusal to give him a licence. In the mid-1950s, he asked for permission to tie up with Renault, which was turned down. An alliance with Peugeot in the 1980s also failed to materialise because the government was keen to protect Maruti.

"It came as a major disappointment. We had submitted a wonderful plan to the government to set up car manufacturing. I often wonder, even today, why it was turned down," he has said.

However, he was not ready to grow at any cost. Ethics and values were far more important for him than just growing fast. Besides, Mahindra was among the rare breed of industrialists who created a centre of managerial excellence in the group. M&M was among the first professionally-

run corporates to breed a team of dynamic managers — like the entrepreneurial BR Sule, RK Pitambar and Kumar Sardesai — who shared the vision and ethics of its founders.

Anand Mahindra, who is Keshub Mahindra's nephew and the vice chairman and MD, runs the group. He is an MBA from Harvard Business School.

There is another example of how Mr Mahindra resisted the rot in the system. He decided to challenge the government's policies. In 1978, he stepped down as the company's executive chairman to challenge the government's restrictions on managerial remuneration. He won in the Delhi High Court. The government appealed to the Supreme Court. The final verdict was still pending when government lifted the licence-permit raj and restrictions on managers salaries.