



WINNERS of the inaugural edition of The Economic Times Awards Tamil Nadu, with jury members and K Pandiarajan, Minister for Tamil Official Language and Tamil Culture

## Culture and Tech Propel Businesses



(L to R): TT Jagannathan, executive chairman, TTK Group; Lakshmi Narayanan, ex-vice chairman, Cognizant; and Sridhar Vembu, CEO, Zoho

In the land of entrepreneurs, in the setting of The Economic Times Awards, the spice would be missing from the curry without a stimulating discussion. On what? Entrepreneurship and innovation, what else? Joining the 'fireside chat' were three of Tamil Nadu's cherished business stars – Lakshmi Narayanan, ex-vice chairman of Cognizant, Sridhar Vembu, CEO of Zoho, and TT Jagannathan, executive chairman of Prestige Group. The discussion was moderated by Archana Rai, Editor-South, The Economic Times.

In keeping with the tonality and feel of the evening, the discussion began with opinions on how a business can endure over a long period, to which Jagannathan had a simple answer: "It's culture. Culture does not change. As long as you have an enduring culture, people stay with you. It is the people who build the organisation." In today's world though, endurance has a different hue, with digital technologies changing the way the world of business works and competes. To this, Cognizant's Narayanan pointed to the fact that technology is crucial in every industry. At the same time, he said the industries of yesteryears are by no means gone, but only those that move with the times and transform themselves are the ones that will survive and thrive in the future.

Zoho's Vembu has taken a different route than most entrepreneurs, carving out his distinct space in the big bad world of software giants. At the same time, he has also ensured quality of life for his employees. Combining the two aspects is not easy. "For our state and even for India, we have to move to higher value addition, that's the only way our GDP per capita can keep growing," said Vembu. But sadly, most people who create high value products that we need today – cellphones, medical devices, computer vision equipment, etc – are exported out of India. "For every high-value person we export, there are 20 or 30 jobs that never get created here." But to keep those people in India, one needs to offer them not just good income, but equally, a good quality of life.

Vembu urged private companies to step in and make a difference. "Place your R&D activity in smaller towns. Create high paying jobs there." Food for thought, indeed.

### THE LAND OF ENTREPRENEURS HAS A LOT TO CHEER

# TAMIL ETHOS TO THE FORE

The first Economic Times Awards-Tamil Nadu celebrates the Tamil spirit and culture

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THE ECONOMIC TIMES AWARDS  
Tamil Nadu

Celebrating 25 years of being in Chennai, The Economic Times launched the most prestigious corporate award for the state, The Economic Times Awards-Tamil Nadu. It was an occasion of significance, and of celebration.

Tamil Nadu is a land of entrepreneurs. Identifying outperformers from a bevy of well, outperformers, is no easy task. ET's

team of editors and knowledge partner Grant Thornton India's team worked hard for months to create a methodology and process that would be robust and sound (see box

"How we did it"), and that would stand up to the jury's scrutiny.

The jury meeting itself was, well, not stormy, but subdued yet intense, characteristic of Tamil Nadu. Rarely is a jury so involved in getting it right – they changed categories, changed the nature of some categories, asked for more data, asked lots of questions, some of which had to be answered on email over several days after the jury meeting.

What this entire exercise ended up doing was to identify true performers – some very well known like Ashok Leyland and TVS

Motor; some new-economy superstars like Sridhar Vembu of Zoho; and some total strangers like Kovai Medical Center & Hospital of Coimbatore, or Pondy Oxides and Chemicals of Chennai, a ₹1,000-crore company that has been growing its topline and bottom line at nearly 100% CAGR over three years.

The evening of the awards ceremony was a celebration of the regeneration of the old, and the birth of the new. But that's what entrepreneurship is about, isn't it?

Indian Bank was the presenting partner for the awards.

### WINNERS' GALLERY



#### LIFETIME ACHIEVEMENT AWARD

**SURESH KRISHNA**, Chairman, Sundram Fasteners

- Sundram Fasteners, with 17 factories and 8,000 people, has not had a single instance of industrial unrest in 53 years.
- Receiving the TQM Deming Prize for all its 17 plants together in the first attempt is a world record. The company has so far supplied 185 million radiator caps to General Motors, US, and others without a single rejection.



#### ENTREPRENEUR OF THE YEAR

**SRIDHAR VEMBU**, CEO, Zoho

- In 2018, Zoho reached 45-million user base and opened three new offices in Netherlands, Singapore and Dubai.
- In 2016, Zoho launched Zoho Desk, a customer service product built in rural India, in the town of Tenkasi, Tamil Nadu



#### EXCELLENCE IN BUSINESS PERFORMANCE

**ASHOK LEYLAND**

- About 70 million people board an Ashok Leyland every day. The company showed share gain in the growing market of 2015-16, and gained market share in a hereto flat market in 2016-17 and 2017-18.
- The company's facilities were awarded the Deming Prize in both 2016 and 2017, making it the first truck and bus manufacturer outside Japan to win this prize.



#### EXCELLENCE IN BUSINESS PERFORMANCE

**TTK PRESTIGE**

- The firm crossed the ₹2,000-crore revenue mark in FY19
- It's first in the industry to acquire an overseas company - Horwood Homewares in the UK.



#### EXCELLENCE IN BUSINESS PERFORMANCE

**TVS MOTOR COMPANY**

- TVS Motor has more than 3 crore customers across the globe, with presence in 55 countries, including Africa, Latin & Central America, Indian Sub-continent & Southeast Asia
- In 2016, TVS Jupiter became the fastest scooter to reach the 1-million sales mark, within 30 months. In 2018, TVS Apache series crossed the 3-million sales milestone.



#### EXCELLENCE IN BUSINESS PERFORMANCE

**PONDY OXIDES & CHEMICALS**

- The company has risen to become the largest secondary lead and lead alloys manufacturer in India and is holding the position strong.
- Consistent rise in top line as well as bottom line in the past five years.



#### EXCELLENCE IN BUSINESS PERFORMANCE

**CAPLIN POINT LABORATORIES**

- A debt-free company with benchmark cashflow, CAGR in terms of revenue over 27%, EBITDA at 45% and net profit at 60%. Reserves grew 72x last 10 years.
- Only company in India in its size segment with an injectable facility approved by USFDA twice; the latest inspection was without any observations.



#### EXCELLENCE IN BUSINESS PERFORMANCE

**KOVAI MEDICAL CENTER & HOSPITAL**

- The hospital started in 1990 with 150 beds; today it has 1,000. Plans afoot to open a medical college.
- The company spends more than ₹10-12 crore every year for the treatment of underprivileged sections' in the hospital.



There is something in the culture and DNA of people here in Tamil Nadu. Not only are they managing their companies here, they are also heading global corporates across the world

**PADMAJA CHUNDURU**  
CEO, INDIAN BANK



Tamil Nadu has a powerful entrepreneurial culture – a culture that is subdued, understated. Even the significant number of people from outside who have made Tamil Nadu their home, seem to act similarly, they become entrepreneurs of the Tamil kind

**K PANDIARAJAN**  
MINISTER FOR TAMIL OFFICIAL LANGUAGE AND TAMIL CULTURE



R Thyagarajan (centre), founder of Shriram Group, engages in a friendly conversation with the master of ceremonies on the connection between success and flying economy

## THE SEVEN WISE MEN

The Jury of The Economic Times Awards-Tamil Nadu



Money can motivate up to some level but recognition like ET awards will go a long way in motivating the stakeholders of a company

**CK RANGANATHAN**  
Chairman, CavinKare



Awards celebrating business performance and leadership excellence are key milestones in the journey of a successful firm

**PRAKASH SAIL**  
Prof. and Head, Department of Management Studies, IIT Madras



Awards are important as they recognise companies and individuals for their work /achievements and also enthuse them to strive for greater goals

**N KUMAR**  
Vice Chairman, The Sanmar Group



It is important to recognise business leaders and companies in major states with the ET Awards, as these recognitions help motivate the community to even higher levels of performance

**SRIVATS RAM**  
Managing Director, Wheels India



This award will go a long way in promoting the entrepreneurial ecosystem in the state. Recognising successful startups as part of this event would be good

**MURUGAVEL JANAKIRAMAN**  
Founder, Bharat Matrimony



Awards like these enhance awareness about the innovative work of successful enterprises, and inspire other businesses to do better

**MUKUND RAJAN**  
Former Brand Custodian, Tata Group



Leaders in different spheres can gain visibility through wealth and power. But respect of society can only be earned through awards and recognition from an equally successful entity

**LAKSHMI NARAYANAN**  
Ex-Vice Chairman, Cognizant

### HOW WE DID IT

We with a universe of more than 6,000 companies – listed as well as unlisted – extracted from the proprietary database CMIE Prowess. An exhaustive process was then run by ET's knowledge partner Grant Thornton India, and by ET's team. Companies that were registered in TN with substantial operations there, and companies with corporate headquarters in TN were considered. The period of analysis was the previous three fiscals – 2017-18, 2016-17 and 2015-16, and standalone numbers were considered. Loss making companies were eliminated, as were PSUs and multinational organisations of foreign origin. Based on the financial spread of the universe of companies, they were segmented into three revenue groups – ₹100-750 crore; ₹751-2,000 crore; and more than ₹2,000 crore. The companies were assessed on growth in revenue, profit after tax, EBITDA, market capitalisation (listed companies only) and return on equity. Based on ET and GT's proprietary methodology, top three companies were identified in each category and presented to the jury. After the winners were chosen, a thorough background check was conducted, including adverse media reports, disclosure of any recent past or ongoing civil, criminal and regulatory matters, economic or trade sanctions and watchlists from around the world, etc.