

BHAVARLAL JAIN

LOOKING FORWARD, AIMING HIGH

An exclusive interview with the dynamic Chairman of the Jalgaon-based Jain group of Industries, Mr. Bhavarlal Jain. He talks to Network on a wide range of subjects, from new agricultural technology to his personal commitments and work ethic. With this interview we present here a profile of one of the country's most remarkable industrial pioneers

"Agriculture," says Bhavarlal Jain, "is the very soul of India's economy". He should know, for today, he is acknowledged as one of the country's leading pioneers in agricultural technology and methods that have changed the face of the parched earthscape around Jalgaon. His name is synonymous with the drip-irrigation technique, a system of controlled water management that can constitute the very backbone of India's agricultural advancement. The success story of the Jain Group's founding father is a fascinating one: the stuff of which legends are made. And that seems appropriate enough for a man who has achieved the rare distinction of becoming a living legend. Though his start in life was with a law degree in his pocket, his destiny lay in the soil, since he

was born into a long-established family of agriculturists in Vakod village, close to Jalgaon, the same land that nurtured, centuries ago, the exquisite art of Ajanta. He soon abandoned any ideas of making the law his profession, and with capital borrowed from his family, he started retailing kerosene as a sub-dealer of the American multinational, Esso.

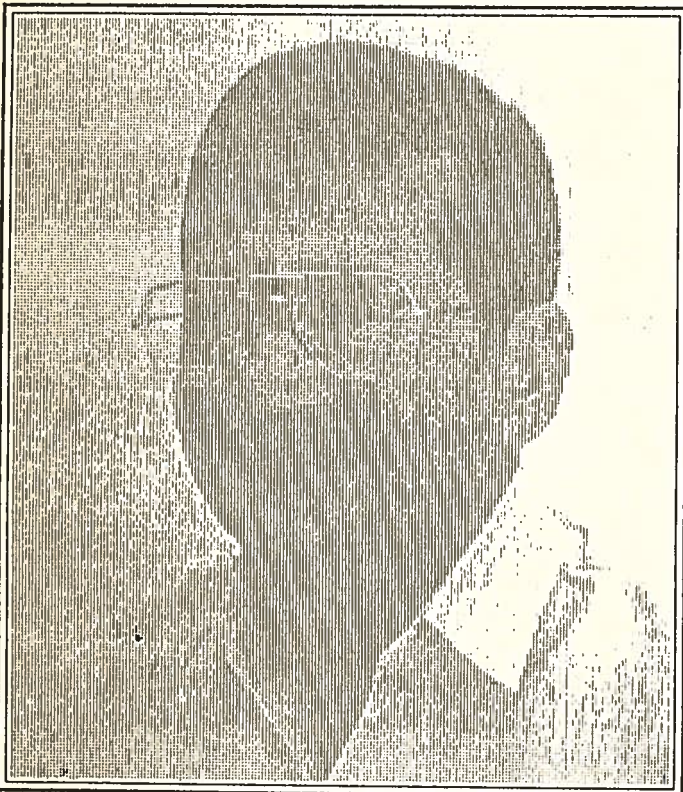
A modest enough beginning, but for the young Jain, it was a challenge, a chance to learn and use aggressive marketing techniques and business methods, selling kerosene door-to-door at a price 50 percent lower than the market rate. Nor was Esso slow in recognising the extraordinary drive and potential of this young man, when it broke with precedent to award him 4 dealership agencies. From kerosene, he diversified into retailing auto-spares, petrol, diesel, domestic gas and lubricating oil. But the turning point came with his venture into the process of making the enzyme Papain from papaya milk. Papain, he discovered, was in universal demand as an essential ingredient used in breweries, food processing and pharmaceutical industries. The small venture grew and his company poured funds into R&D to develop deodorised, ultra-purified papain. Today, the Jain Group is the second largest producer of refined papain in the world, meeting 20% of the global demand.

The marketing of PVC pipes, again begun in a small way, saw some remarkable innovations: with high-capacity extrusion lines imported from Austria, the Jain Group added

their own technical firsts to these already advanced machines such as pre-heaters and triple extrusion heads, which boosted production capacity by as much as 60%. These improvements were incorporated into the latest machines being produced in Austria. Today, the Jain Group is the single largest manufacturer of PVC pipes in the country.

This association with the farming sector led naturally to the next step: of acquiring drip irrigation systems built around PVC pipes. This technique, whereby precisely controlled amounts of water and other nutrients are directly applied to the root zones, offers enormous water resources and operating costs savings and a dramatic increase in productivity.

With the Group's net worth registering an annual average increase of 212% over the last decade; with a track record in financial management which has enabled growth and diversification at tearaway speed, it is reasonable to predict that by the year 2000 the turnover will reach the Rs. 1000 crore mark. However, in the words of the man whose credo is 'Work is Worship', "In my efforts to generate growth for my group I cannot lose sight of my basic commitments to a certain philosophy.....to concentrate my investments in and around Jalgaon so that I can serve the community in the men of my birth....In fact, I have chosen to invest in businesses which also serve a social end like drip irrigation.... manufacture of foam sheets....(and those) which will all conserve scarce natural resources."



■ COVER PERSONALITY

How would you define your personal work philosophy?

It is said in just three words, "Work is life". This is a statement depicting our work culture in the Group's corporate commandments.

What are your plans for your birthplace, Jalgaon? When will your plan to start a management college bear fruit?

I have chosen to have a commitment to make, as far as possible, all investments and locate our ventures in and around Jalgaon. I owe my growth to the soil and people of Jalgaon, and therefore it is my responsibility to reciprocate by ploughing the maximum I can to foster development and employment opportunity in this area.

In our priorities we are developing a training centre for advanced agricultural technology for use by farmers in India. After it is developed, we plan to extend it into a Rural Management Institute as a first step prior to fashioning a full-fledged Management Education Centre.

You are known to be committed to key conservation issues. What concrete form has your commitment taken?

It is true that we are committed to key conservation issues and our products represent it :

Micro Irrigation Systems conserve water.

The various plastic sheets we manufacture are wood substitutes.

We are going into production of solar heaters, which is another area of energy conservation.

What are your views on the recently concluded GATT world trade negotiations and the Dunkel Draft?

I have no doubt that the recently concluded GATT world trade negotiations and the Dunkel Draft would be to the advantage of economic growth, both for industries and the agricultural sector as far as the country is concerned. It is time we shed off our sheltered existence and got into the international mainstream. This would certainly attract a high degree of competitive pressures, but it is only such a challenge which can assure required advancement so badly desired to convert a developing economy into a developed economy. I have no doubt Indians, both in the fields of industry and agriculture, can acquit themselves handsomely and prove equal in their offerings to match the best available in the world.

What has held Indian industrialists back from achieving global domination in any field? Do we, as a

nation, lack the professional approach to reach the top, internationally?

Primarily it has been the government restrictions which had shackled the Indian industrialists from playing a global role in all fields. Once these shackles are broken and we are given equal opportunity, there is no question that Indian entrepreneurs would find a place of respect and success in the international market. We are equipped to absorb advanced technologies and since we are a low cost producing area, we have an edge in the international sphere over high cost developed economies. Should we be able to maintain our traditional Indian ethics we cannot fail to reach somewhere close to the top, globally, in next decade.

You have successfully orchestrated the explosive growth of your business empire year after year. What would you say is the right mix for achieving such steady growth for other medium-sized groups in India, in today's economic climate?

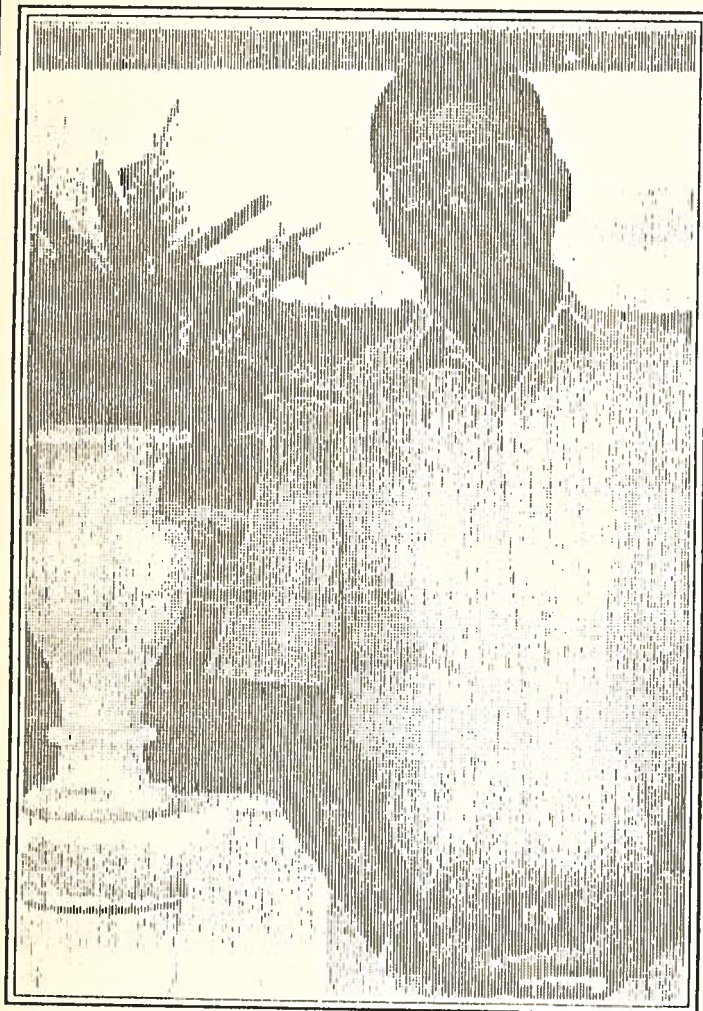
I believe it is primarily a spirit of entrepreneurship which counts for growth, and it is a combination of identifying an opportunity and willingness to assume a risk to materialise the wherewithal to cash the opportunity. Additionally, this

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A Day in the Life of

“ I get up at about 5 a.m. and go for a morning walk with some friends and my grandson, who join me at our R & D farm; later do yoga and meditate for some time. By 8 o'clock I finish my morning routines and thereafter I start attending to my commitments. I receive visitors at our Mohadi residence or have discussions regarding development and progress of new projects at Jain Hills. By about 11, I go to the factory and attend to whatever requires my attention. I have lunch with my sons and some selected friends and colleagues in the factory. After lunch I take some rest. Thereafter I get back to work, but I finish the evening meal before sunset, go home and play with my grand-children and spend a few hours with my family, till I leave with my wife and grandson to retire for the night at my farm residence. ”

COVER PERSONALITY



spirit of entrepreneurship must be backed with a mind set, notwithstanding obstacles or other problems, to ensure that what is required will be done within time and within budget. The rest is a very mundane affair of managing resources.

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Some glimpses into the private thoughts and opinions of Mr. Bhavarlal Jain in his persona as family man and loving grandfather

Do you agree that as a nation we are not educating

our children properly? What can be done about this?

We, for the sake of our posterity, must reorient our educational system totally. We must shed off the remnants of the colonial system and refashion it for a vibrant, independent and growing nation. The whole system has been diseased with corruption and decay. There is no hope of salvage unless we change it to produce youth which is well educated and is committed to values that foster the achievement of results, hard work, integrity and dignity of labour.

If you had a choice of sending your grandson to MIT

or to Bombay's IIT, which would you opt for? How would you rate the best of our professional institutions against the best in the USA and UK? Why can't we set up world-class educational institutions in India?

In my assessment our professional institutions can compare with the best in the world, provided they are allowed to operate without interference from self-seeking politicians and bureaucrats. Let them be managed by those who are competent to do so and these can then stand out as world class educational centres indeed.

As far as my grandson is concerned, he will decide where and what to study when he reaches that age.

Do you have any activities unrelated to your work? Have you had the time to develop any hobbies?

I read a lot and I contribute whatever time I can to promote community welfare. I believe the best an individual can do is to keep himself fit in body and mind so that he is able to contribute his best self in whatever task he may undertake. I certainly spare all the time I can for this purpose.

Which are your five favourite books?

I don't think it is possible to single out any favourite books. Except reading fiction, I enjoy reading various authors who deal with philosophy, work culture and management education, apart from Scriptures.



THE ISRAELI TIE-UP

The Jain Group, this year, has signed some significant agreements with a country that has achieved the most stupendous success in agriculture: Israel. Speaking of these, Mr. Jain told Network: "Jain foundation has signed an agreement with an agency of the Government of Israel to develop a centre for training of farmers in the Israeli way of agriculture, deploying advanced technologies. The first training under the aegis of Jain Foundation and CINADCO has commenced on June 13 '94. Use of these technologies would help in improvement of yields, quality of produce and thus result in better incomes for the agriculturists. Deployment of such technologies can also result in our producing agro-based products of international quality which can bring in substantial export earnings. This can also assist in our developing agro-based industries like food processing, with consequential favourable results for the agriculturist and for the national economy".

Other technological know-how being acquired from Israel includes the pioneering of tissue culture technology and green-house concepts. New laboratories are being set up with the help of Israel's Rahan Meristan Group. Jalgaon farmers can expect to be supplied with high yielding Israeli banana varieties.

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ON THE COVERS

A profile of one of the most remarkable industrial pioneers of our time. Mr. Bhavarlal Jain of Jalgaon. Plus an exclusive interview, in which he talks to Network about current projects, his dreams for the future and his personal commitments 9