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Oct 17, 2022, 7:45 IST



His long-time biographer charts his life and how he grew from a diamond and plastics trader into one of the most formidable industrialists in India

My first meeting with Gautambhai was extremely pleasant. It is still fresh in my memory. He was affable (and continues to be so). He did not, and does not, speak much, except when required.

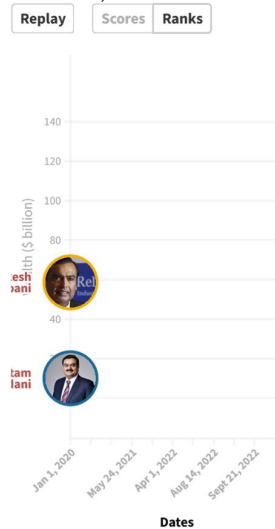
One reason is that he continues to be very self-conscious about his English (my own Gujarati, the language he was most comfortable with, is extremely limited). Another reason is his reluctance to speak; he would rather focus on listening. And he is incredibly good at maintaining relationships...

As I studied Gautambhai closely, five factors stand out which make him different from many other industrialists in India, and possibly the world. The first is his unwillingness to raise funds from an investing public till a business has begun generating money. Undoubtedly, such an approach does allow him to get higher valuations at the time of raising funds through the issuing of shares.

But, more importantly, Gautambhai is known to follow a policy of not forcing risks on others. When a business deal goes wrong, he will try to help the person/client with other opportunities which will help them tide over the losses they have made in the past. This, in turn, has nurtured a sense of loyalty towards Gautambhai in a way that many other industrialists have not been able to command or nurture.

### How Adani surpassed Ambani

At the beginning of 2020, Ambani was way ahead of Adani (figures in \$ billion)



Source: Bloomberg Billionaires Index

A Flourish chart (<https://public.flourish.studio/visualisation/11203841/>)

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The second is his ability to build and maintain relationships. He does not like going back on any deal that he has entered into. Nor does he try to buy out or squeeze out his partners. His motto is simple. He would like to keep his partners with him all through the journey.







If some partner wants to leave, he will try to dissuade them. But if they still insist on leaving, Gautambhai will not stop them. When a deal does not work out the way it was expected to, Gautambhai usually sits down with the partner and arrives at a resolution — either the business grows to the levels which are acceptable to Gautambhai, or it is shut down. The two partners invariably part ways amicably.

There are hardly any non-compete agreements that he has asked his partners to enter, as far as my exposure to various business heads goes. He succeeds in maintaining relationships even if common sense might demand a re-evaluation of relationships. Take for instance the Adani-Wilmar venture story. It is a 50:50 venture, where Wilmar and Adani hold equal stakes.

Not once — since it was set up in January 1999 — has Gautambhai entertained any desire to make his stake go up and make Wilmar the junior partner. He believes that businesses grow when competence marries enterprise. And if the other party combines competence with enterprise and enters into a relationship with the Adani Group, a 50:50 relationship is the most desirable.

## India's richest people

Wealth as released by Hurun India Rich List 2022

Rank	Name	Wealth (Rs crore)	Change in wealth	Company
1	<b>Gautam Adani</b>	1,094,400	116%	Adani
2	 <b>Mukesh Ambani</b>	794,700	11%	Reliance Industries
3	 <b>Cyrus S Poonawalla</b>	205,400	25%	Serum Institute of India
4	 <b>Shiv Nadar</b>	185,800	-21%	HCL
5	 <b>Radhakishan Damani</b>	175,100	13%	Avenue Supermarts
6	 <b>Vinod Shantilal Adani</b>	169,000	28%	Adani
7	<b>SP Hinduja</b>	165,000	-25%	Hinduja
8	<b>LN Mittal</b>	151,800	-13%	ArcelorMittal
9	<b>Dilip Shanghvi</b>	133,500	12%	Sun Pharmaceutical Industries
10	 <b>Uday Kotak</b>	119,400	3%	Kotak Mahindra Bank



Source: IIFL Wealth Hurun India Rich List 2022

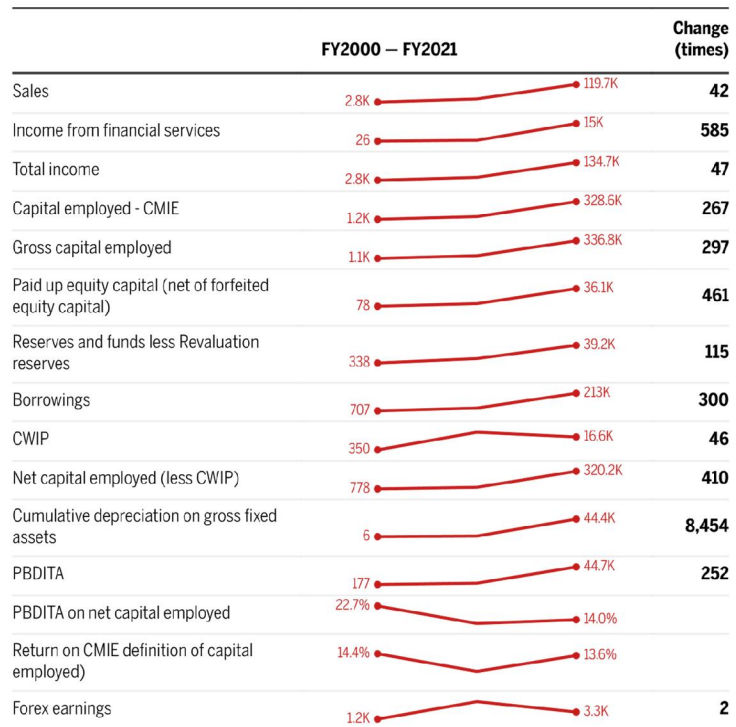
Currently, Adani-Wilmar is one of the top five players in the FMCG sector in India. It is the largest seller of edible oil. And yet the relationship survives, and is thriving. And as the following pages will show, the 50:50 formula has been the hallmark of many other relationships as well.

Maintaining relationships extends even beyond family and his corporate group. His relationships with political and social leaders, across all types of party lines, have made him acceptable to every government. He has concluded projects under the Congress government, the Bharatiya Janata Party government, the National Democratic Alliance, the left parties in Kerala and even the mercurial Mamata Banerjee of the Trinamool Congress in West Bengal.

West Bengal has become extremely important for Gautam Adani because he has emerged as the highest bidder for West Bengal's Tajpur deep-sea port. And he has bid for other ports as well. In a much-publicised speech in that state, Gautambhai promised to invest Rs 10,000 crore in West Bengal and create 25,000 jobs...

### The profits of Adani group

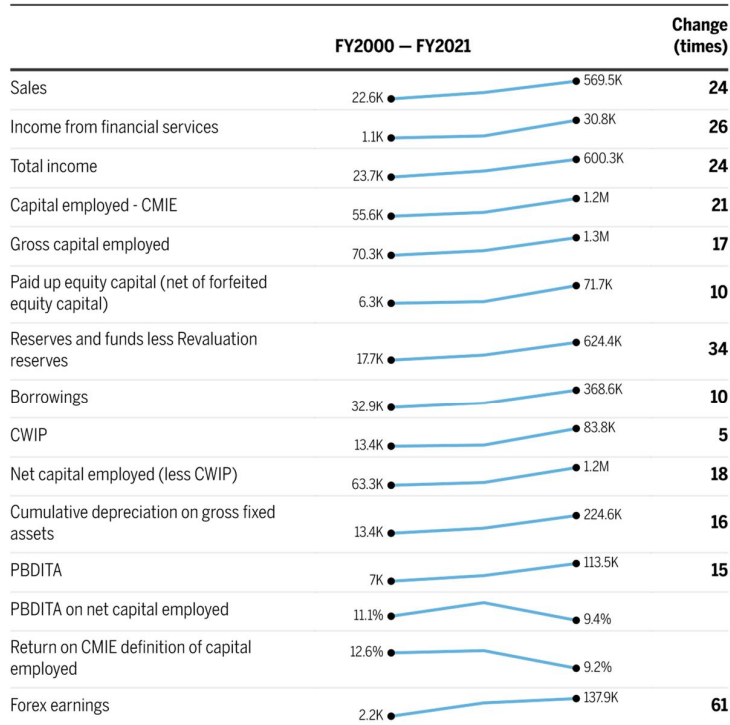
Group comprises 164 companies, up from 157 in FY20  
 Figures in Rs crore



**TOI** Source: CMIE, Prowess

### The profits of Ambani group

Group comprises 207 companies, down from 220 in FY20  
 Figures in Rs crore



**TOI** Source: CMIE, Prowess

## Notes for the tables above

**CMIE's definition of capital employed:** Includes paid-up equity capital, paid-up forfeited equity capital, contribution made to capital by govt, accumulated reserves, all convertible warrants and all borrowings. However, revaluation reserves and miscellaneous expenses not written off are deducted from above

**Gross capital employed:** Equity - reserves without revaluation reserves + total borrowings + accumulated depreciation

**Net capital employed:** Gross capital employed less capital work in progress (CWIP)

**CWIP:** Assets that are yet to generate returns. It includes intangible assets under development but net of impairment

**PBDITA:** Profit before appreciation, interest, taxes and adjustments

**Rates of return:** To appreciate rate of return better, it is important to compare it with the commercial rate of borrowing in local markets. During the 1990s, for instance, the rate was over 15%. If any promoter earns less than the market rate of borrowing, then the money with him is not being wisely spent, at least as far as investors are concerned

The third factor which differentiates Gautambhai from many other Indian industrialists is that he does not block the chances for anyone to grow or compete with him. Unlike some other Indian industrialists who like to block the growth of competitors, Adani likes to push himself harder to grow faster than those who want to compete with him. Sometimes, this ability to push himself makes him take risks that many would call foolhardy.

5 qualities that made Adani India's richest man - Times of India  
But like most shrewd traders-turned-entrepreneurs, he knows how to hedge his risks and how to take steps to mitigate any resultant losses. This is what happened when he persuaded the government to create a rail link policy for ports, which would allow ports to build their own railway lines to connect to the national railway network. Obviously, he wanted this for the Mundra Port (<https://timesofindia.indiatimes.com/world/pakistan/whatpakistans-gwadar-can-learn-from-indias-mundraport/articleshow/93800219.cms>), but he did not get exclusive benefits. It was a policy change for the country.

The fourth factor is that he is of the firm belief that when a corporate group's interests are closely aligned with national interests, growth can be assured. Of course, other management inputs also matter, especially project implementation capability, finance and strategic vision.



Gautam Adani's biographer says he is unwilling to raise funds from an investing public till a business has begun generating money

But aligning with a country's interests is crucial. This started with coal, ports, agriculture and logistics, and now with defence as well.

There are times when ports, defence and national strategies get blended to give this group unusual advantages and heft.

The last and the fifth factor, he respects fair play. In some cases, where he wanted to buy out a shareholder, he paid him more than what the market price was. This is what happened when Gautambhai had to request the state government of Gujarat to give up its stake in the Mundra Port.

As AD Desai, IAS (Retd), formerly vice-chairman (VC) and chief executive officer (CEO), GMB; formerly secretary ports, Government of Gujarat, explains, "At a time when Gujarat was marked by minor state ports (Kandla was under the central government), Mr Adani marketed to the state government the vision of how more ports would catalyse the state's economy... When the government wanted to allot the port to the highest bidder, he was able to demonstrate his credentials which included a captive jetty and road. The result is that Gujarat's port capacity has increased from 24 million MT in 1996 to 280 million MT in 2012..."



## Lesser known facts about Adani from the book

- He prefers being in Ahmedabad, Gujarat

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- In Jan 1998, much before he became a big industrialist, Adani and Shantilal Patel, an associate, were kidnapped at gunpoint in Ahmedabad. In Nov 2018, a court acquitted the two main accused because the victims didn't press charges. A reason cited is that a large ransom was paid, estimated at \$1.5mn. People close to the family refuse to confirm the ransom amount

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- On Nov 26, 2008, Adani was having dinner at Mumbai's Taj Hotel when it was attacked by terrorists. Adani hid in the basement as terrorists killed over 160 people inside. He was able to escape safely when commandos took control of the situation

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- Harinarayan, secretary to Gautambhai, says Adani 'manages several meetings a day, responds to about 150 phone calls and 150-200 emails

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- If a visitor has a meeting with him at the office, the secretary is expected to track the visitor across Ahmedabad and ensure that he/she reaches five minutes ahead of schedule

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- When he's travelling, the secretary's job is to send him a comprehensive email every 30 minutes on the name, time, purpose and contact numbers of those who called in his absence, so that he can respond within five minutes

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- A cousin recalls how he was an unusual diamond trader, how while they would read Stardust from cover to cover, he would also subscribe to Scope, a science magazine

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- A friend says that he is an excellent Sudoku solver. "Gautam cracks the same game in about 4 minutes"

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- Adani continues to be the largest importer of coal in India — much of it from his coal mines in Indonesia and Australia





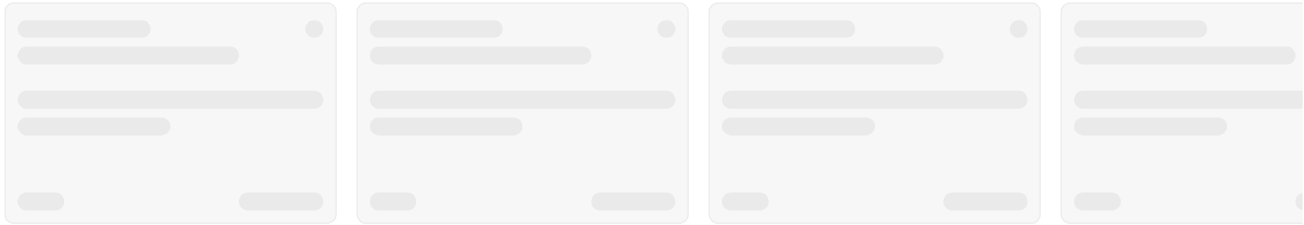
*Gautam Adani: The man who can't think small*

<https://m.timesofindia.com/india/gautam-adani-the-man-whocant-think-small/articleshow/94423167.cms>



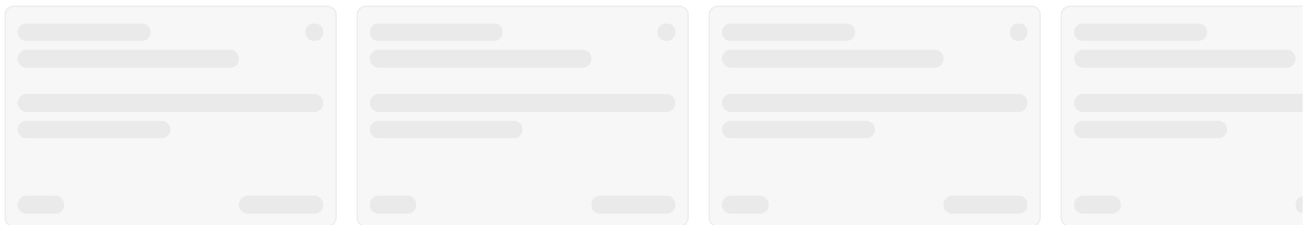
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**Amit** (<http://mytimes.indiatimes.com/profile/jaing8optics>)

Forgot to mention one more quality - close friendship with the current rulling king !!!!

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**Anil Dharan** (<http://mytimes.indiatimes.com/profile/anildharan>)

LOL. Paid article by IT Cell member. His ONLY quality is the ability to get free Loans of Public Money in State Banks from his old pal Feku. Every com...

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**Ulhas Kulkarni** (<http://mytimes.indiatimes.com/profile/ulhasdk>)

Years ago, Industrialists Tatas & Birlas used to be the icon of wealth in India. Now it's Ambani & Adani.

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