



That Emami is giving all the big fast moving consumer goods (FMCG) companies a run for their money is well known, thanks to their innovations, pricing and aggressive marketing strategies. Society catches up with best friends and namesakes Radhe Shyam Agarwal (66) and Radhe Shyam Goenka (65), the founding chairmen of the ₹3000 crore Emami group of companies

BY KAKOLI PODDAR

As we sit in the plush imposing interiors of the Emami tower with its chic contemporary décor, well-adorned with exquisite sculptures, antiques and paintings by great maestros, we get to hear from them the amazing story of the dramatic rise of Emami.

What was started by RS Agarwal and RS Goenka in 1968 with a meager capital of ₹ 20,000 in a small dingy room in the grimy and congested wholesale market of Kolkata's Old China Bazar, has grown to such astounding proportions as to emerge as a major national player in the FMCG scene. It was a bold step for the duo, who were both employed in senior positions in separate Birla companies—RS Agarwal in the Aditya Birla group and RS Goenka in the KK Birla group.

For the uninitiated, Emami's power brands include, among others, Navratna, Boroplus, Sona Chandi Chawanprash, Mentho Plus, Fast Relief, Malai Kesar and Fair & Handsome. Sometime back, it acquired the 300+ Ayurvedic brands of Zandu Pharmaceuticals. Emami products have a pan-Indian presence and are also available in around 65 countries worldwide.

Besides its core FMCG sector, since 1982, Emami has diversified into sectors like paper, newsprint, ball point pens,

edible oil, bio-diesel, cement, real estate, pharmacy, healthcare, art, retail, infrastructure, power and coal.

With a twinkle in his eyes, RS Goenka begins to narrate their unique story, "Both of us were friends since our *chaddi* days. Our friendship has blossomed and deepened over the years and it has continued to the second generation—our children and grandchildren." Both friends attribute their friendship and success to divine blessings. Says RS Agarwal rather plainly, "It is divine will and hard work that has worked for us."

Despite their childhood friendship and a soaring business empire, RS Agarwal and RS Goenka are very dissimilar from one another in personality. RS Agarwal is aggressive in demeanour and RS Goenka is soft spoken and mild-mannered. Says Agarwal, "I have the ideation and the vision. The implementation and monitoring is done by Mr Goenka." With such differences in personality, the friends often disagree and fight but RS Agarwal avers, "We fight with love. We have great business plans framed together. We sit together, discuss, at times differ and finally come to the same conclusion. We have differences with oneness, it is a paradoxical duality with supreme oneness and togetherness. We respect each other and have great affection for each other."



Front Row: RS Agarwal, RS Goenka and Priti Sureka; Back Row—Left to Right: Sushil Goenka, Manish Goenka, Harsh Agarwal, Aditya Agarwal, Prashant Goenka, Mohan Goenka.

So, is it the case of opposite poles attracting one another? They laugh, "We complement and supplement each other." RS Goenka reveals, "A friend once quipped about both us being two swords in one sheath. I answered that we were not two swords, but one sword in a sheath—RS Agarwal is the sharper edge of the sword and I am the blunter side." Perhaps, it is this very dichotomy that has worked for these buddies.

The Emami patriarchs studied in the same school, Sri Maheshwari Vidyalaya, but RS Agarwal was a year senior to RS Goenka. Goenka nostalgically recalls the olden days and how they started off, "He was a very good student and I took guidance from him in studies. Even to this day, he continues to be my guru in many ways. We continued to be friends though we studied in different colleges. Agarwal's family had a wholesale cosmetics shop in Old China Bazar, which became our meeting point after college. We wanted our friendship to

continue after college, and at that time we thought opening a company together would ensure that our friendship continued even after our college days. In 1968, we formed our company called

They all fly by economy class and can only buy cars according to their years of work experience, the maximum not exceeding ₹12 lakh. They are all non-smokers and teetotalers.

Kemco Chemicals, our first launch being a Vaseline-like product because it was October-November and women used such products during winters. In 1974, Emami Ltd came into being. At that time, we just liked the sound of the name but later came to know that in Italian, Emami means 'love me'."

The personal care market had begun to show signs of growth in the mid-70s and the partners' keen business sense smelt immense potential in the cosmetics market in the near future. They were also quick to realise the importance of the herbal revolution and ayurvedic herbs form the base of their products. Emami's first products were a talcum powder and a vanishing cream.

Affordable price played a major role, but the founders also understood the impact of aggressive marketing and advertising to reach out to larger markets in the north, west and south India. They were face to face with fierce competition, after all. They figured that using film stars as brand ambassadors the way Hindustan Lever used for its Lux brand of soaps would be the norm to follow. Since then, some of the most popular faces of Indian cinema have been Emami's brand ambassadors. Besides Amitabh Bachchan and Shah Rukh Khan, there have been the likes of Kareena Kapoor, Preity Zinta, Zeenat Aman, Sridevi, Rekha, Ravina Tandon, Meenakshi Sheshadri, Juhi Chawla, Madhuri Dixit, Rambha, Govinda, Raima Sen, Amrita Arora,

Bipasha Basu, Malaika Arora, Bengali actress Rituparna and the list is endless. Cashing in on the nation's cricket craze, Emami has even had popular cricketers like Saurav Ganguly, MS Dhoni and Virender Sehwag as brand ambassadors.

The decision Agarwal and Goenka took regarding celebrity endorsements has certainly benefitted the Emami equity in a big way. RS Agarwal explains, "Indians love idol-worship. Popular brand ambassadors help people identify themselves with the product. Over the years, we have used celebrities to our benefit. Celebrity endorsements enhance the recall value by making the product stand out in a clutter of advertisements."

The founding chairmen of Emami now run the show along with the gen-next, who are the directors handling the varied segments of the family business. RS Agarwal has three children (Priti Sureka, Aditya Vardhan and Harsh Vardhan) and RS Goenka has two sons (Manish and Mohan). His nephew

Prashant Goenka is a part of the clique too. They have shared a deep camaraderie and friendship since their childhood days and this helps better co-ordination and understanding in running the business.

The Agarwals and the Goenkas live in multi-storied buildings in the same lane. Interestingly, they live in joint families, go out for family vacations together and indulge in joint festivities. Say Aditya Agarwal and Manish Goenka, "We all hang out together. Our family holidays involve huge groups of some 50 people and it is real fun."

In this age of breakup of joint families and the Indian family businesses being torn apart because of family bickerings, it is amazing how these two families have stuck on. Harsh Agarwal says, "We sit in cabins with glass walls. Our business dealings are as transparent. In office, we all have lunch together with our fathers, and often return home together."

Says Priti Sureka, "Our staying together has reaped rich dividends for the company. All of us have different skills which we have optimised very well. With the inclusion of young blood, a lot of energy and dynamism has been infused in the company. We don't think in terms of 'I', we think in terms of 'we'. It is the subversion of the narrow self for the bigger cause of the company." Adds Mohan Goenka in the same vein, "It is very important for us to be together.

Together, we want Emami to grow more and more.”

Meanwhile, Prashant Goenka, RS Goenka's nephew, who heads Emami's international business, chips in about the growing demand of Emami products abroad, especially in the Commonwealth of Independent States (CIS) countries and Africa. “Soon, Emami will be having manufacturing plants in Bangladesh and Egypt,” he reveals.

However, despite the prosperity, the Emami founding patriarchs and the young directors do not believe in leading flamboyant, flashy lives. They are all non-smokers and teetotalers. There are some set of guidelines which the gen-next abides by. They all fly by economy class and can only buy cars according to their years of work experience, the maximum not exceeding ₹12 lakh. “The cap is upgraded every couple of years,” Aditya Agarwal points out. Vouching for this way of life, Manish Goenka says, “Our fathers espouse the principles of simple living and high thinking. We don't believe in splurging

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—Agarwal and Goenka siblings

on unnecessary things, because then we may not get the necessary things in life.”

It is all thanks to RS Agarwal who strongly believes, “We abhor the vulgar display of wealth which takes you away from spirituality and the basic human values.” No wonder then that the elders in the family have to be informed of any major individual purchase, which could even be jewellery.

Priti, Mohan and Harsh insist that they don't feel deprived. “We abide by these guidelines instinctively.” They are not even seen frequenting Page 3 parties. “We are busy working and at the end of the day, we want to go back to our home and

families. Where is the time to party? Besides, we do not consume alcohol, so probably we are a misfit in most parties,” they joke.

The family guidelines also stipulate that they cannot invest in stocks and shares in a personal capacity or indulge in market speculation. Says the principled RS Agarwal, “We don't want our children to get used to making easy money, and have their eyes glued to the stock market instead of focusing on the family business.” Besides this, the Emami group has decided not to enter the field of tobacco, alcohol, meat products or leather trade.

Indeed, this ethics-based code of conduct, the shared human values and a shrewd understanding of the changing needs of the Indian consumer, along with aggressive marketing, has reaped rich dividends for Emami. Today, the group is a force to reckon with, giving the jitters to most of the big players in the arena. <<

Left to Right—Aditya Agarwal, Mohan Goenka, Manish Goenka, Priti Sureka, Harsh Agarwal, Prashant Goenka

