

RETIRING to Reboot

Corporate leaders leverage their passion and experience into a second innings, starting brave new ventures when most would be preparing for the golden years



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By Nandini Vaish

Exactly a year ago, Jagdish Khattar came up with an audacious thought. He would retire from Maruti Suzuki and set up his own venture, a chain of multi-brand auto sales and service outlets. The industry looked at him with disbelief. Why would a man at the helm of the country's largest automobile company want to leave a cushy job and start his own company—that too in his 60s?

His detractors, who included officials from the company, tried to talk him out of it. "The unorganised auto service industry is too large, and their costs too low. How will you compete?" they said. Servicing and repairing vehicles also meant that he would be competing directly with car dealers and service centres, many of whom he had been dealing with for years.

But Khattar, 67, had a bit of a

contrarian trait. He decided not to play golf, despite being a member of several golf courses, or "sit home and play with the grandchildren". Instead, he started his second innings as an entrepreneur and set up Carnation Auto. Today, he has 13 functional outlets in nine cities which clock in a monthly turnover of Rs 3 crore, and plans to scale up to nearly 30 outlets by March. He has also tied up with Dilip Chhabria for vehicle redesign and has launched the Workshop-on-Wheels service, a fleet of fully equipped vans that provide door-to-door car service. And people have taken note. "Today people in the 40s and 50s walk up to me and say that they too are looking at becoming entrepreneurs," says Khattar, even as he keeps getting calls from dealers to work with him.

Indeed. Silver start-ups seem to be picking up in India Inc. In 2004, Davinder Singh Brar, former CEO and managing director of Ranbaxy, joined GVK

“ I don't like targets. It shows you can't do more. Business is not about what others think of you, but what the customer wants. ”

JAGDISH KHATTAR, 67

TRANSITION: From MD, Maruti Suzuki to founder, Carnation Auto

BIG IDEA: Multi-brand service outlet for cars. The auto service industry is worth Rs 2,500 crore; much of it unorganised. That's opportunity.

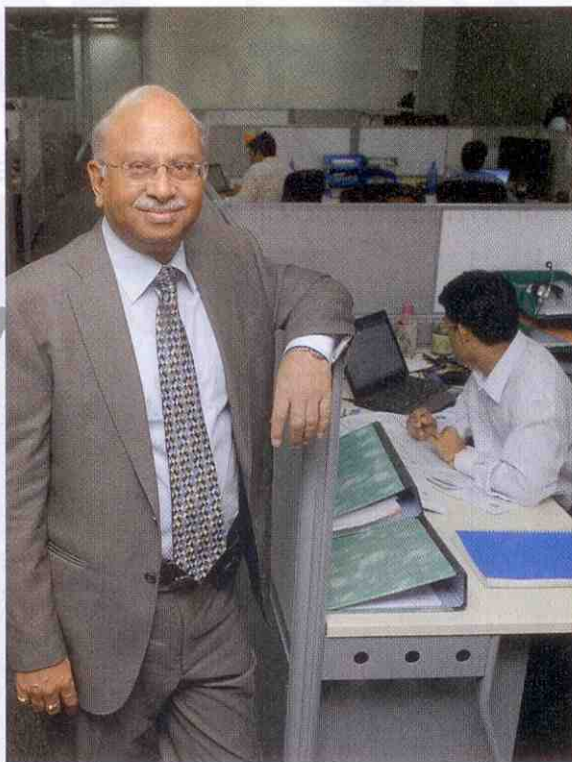
CHALLENGE: Sourcing genuine parts from car companies as it clashes with dealer interest.

“The challenge of being an entrepreneur is moving from a known territory and a steady life to one which is unpredictable.”

SAURABH SRIVASTAVA, 63
TRANSITION: From chairman of Xansa to founder of Infinity Ventures and co-founder of Indian Angel Network.

BIG IDEA: IAN brings multiple investors under one umbrella to invest in start-ups.

CHALLENGE: Finding good start-ups to invest in.



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Biosciences as promoter-chairman. A company set up in 2001 by G.V. Sanjay Reddy, it is an integrated research services provider. He was followed by BVR Subbu, former president of Hyundai Motors India, who set up Argentum Motors, an auto ancillary manufacturing firm with the promoters of Spicejet; IT veteran Saurabh Srivastava, who retired as Xansa chairman to set up Infinity Ventures, a venture capital firm, along with the Indian Angel Network, the country's largest business angel group with over 100 investors; and the likes of Electrolux MD Rajeev Karwal and Renuka Ramnath of ICIICI Ventures, who, though not 'silver', have ventured into entrepreneurship. More recently, Narayana Murthy of Infosys, who is set to retire from the company's board in August next year, announced he had floated Catamaran, a venture capital fund for early and seed companies.

Srivastava jokes that the silver entrepreneurs, the equivalents of the baby boomers in the US, are increasingly getting less "old for their age and are looking for newer ways to channelise their energies. Increasingly, people are beginning to ask them-

selves: am I going to be in this job for the next 20 years or do I want to do something different?" Karwal, who started Milagrow Business and Knowledge Solutions which mentors micro, small and medium enterprises (MSMEs), says his motivation was to "be his own boss". Money, he says, is incidental. "It happens when you do business." However, Arun Maira, former chairman of the Boston Consulting Group, now a member of the Planning Commission, has a different take. He believes many of the shifts happened for want of choice. "At that age and that seniority then," he says, "few people would be looking for something very different to do."

Take Brar, for instance. After 27 years with Ranbaxy, he decided to set up his own venture. "I had envisioned starting a world-class company on my own," he says. His research, however, showed that the generic pharma space was already saturated and so a start-up had few chances of succeeding. Interested in R&D services, Brar chose biosciences.



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It was a growing industry with a lot of potential. The global outsourcing market for drug discovery is estimated to be \$60 billion of which discovery outsourcing is \$8 billion, and India and China are emerging as the favourites. Starting from scratch would have taken him three or four years to scale up, so he joined forces with Reddy. Today, the company has a turnover of Rs 250 crore, and is providing R&D services to 16 of the top 20 pharma companies around the globe for drug discovery in veterinary, agro and human pharma life sciences.

Similarly, Karwal, who has worked with a host of companies in the consumer goods sector, found a niche in mentoring and advising MSMEs which were either starting or scaling up, or even looking for a turnaround. There are about 350 million MSMEs in India which contribute about 45 per cent of the domestic manufacturing output and about 40 per cent of exports.

Whatever the motivation, these entrepreneurs are increasingly putting their industry experience, expertise, management skills and goodwill to good business use. For instance,

