

Peer learning can help businesses scale up, says Marico chief

Our Bureau

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After spending three decades in building brands such as Parachute, Saffola, Hair & Care, Nihar, Mediker and Revive, Harsh C. Mariwala, Chairman and Managing Director of Marico Ltd, is now making efforts to help entrepreneurs scale up their business through peer learning.

As part of what he calls personal social responsibility or PSR, the former FICCI President started Ascent, a non-profit organisation that seeks to identify entrepreneurs with potential and help them interact with each other.

He tells *Business Line* about his dream to create a network of 10,000 such entrepreneurs.

Why PSR and not CSR (corporate social responsibility)?

This initiative is my passion and I have funded it too. Marico doesn't bear any expense for this. I have personally gone through all stages of business - from small to medium to large - and know the challenges faced at every stage. An entrepreneur has to change at every stage.

Also, I feel entrepreneurs



Harsh C. Mariwala, Chairman and MD, Marico Ltd

add a lot of value to society by creating businesses and providing employment. So, our objective is to help viable businesses scale up and handle issues, such as those with partners, leadership style, strikes and inability to retain talent.

What do you mean by viable businesses here?

We select (through applications) those businesses that are breaking even, making some money or are about to break even.

In our Mumbai chapter, we have 200 entrepreneurs with turnovers ranging from Rs 5

crore to Rs 700 crore in services and manufacturing. We have made six groups of 10 members each on the basis of turnovers.

The whole model is based on mutual learning. We plan to launch the Delhi chapter hopefully by January 2014.

What are the prospects of scaling up in times of economic slowdown?

We can't keep blaming the economy.

I think even if the economy is not growing, the opportunities for entrepreneurs to grow exist.

Why are you focusing only on big cities?

We will go to smaller towns after we get a critical mass. After Delhi, we plan to move Bangalore, Hyderabad, Chennai and Kolkata.

Later, we may go to other cities such as Ahmedabad and Indore. My dream is to enrol 10,000 entrepreneurs.

What is your view on the mandatory 2 per cent CSR norm in the new Companies Bill?

I strongly feel that CSR can't be done by force. The moment you start doing that, people will find ways to overcome that, like donating money to some charitable institute and then getting it back in cash.

To some extent, the Government has realised this, so they are basically creating pressure. But I think there is an overall need for corporates to look at giving something back to society. It's not just 2 per cent CSR, setting up of a CSR committee at board level with independent directors will create pressure on the companies to give something back to society. I think that is good, though I would have preferred something milder.

aditi.n@thehindu.co.in