



GLOBAL STRUCTURES

From Kolkata to London, Hemant Kanoria of SREI Infrastructure Finance Ltd. is making news and how. After being listed successfully on London Stock Exchange, his company efficiently steers the development of India's infrastructure

TEXT | SUPRIYA NEWAR

PHOTOGRAPHS: ASIT PODDAR

He's being talked about in business circles more than ever, enjoying an almost statutory dose of ink every morning. And why not? His company has just entered the elite league of corporates after being successfully listed on London Stock Exchange. The businessman in question is none other than the suave yet simple, hugely successful yet down to earth, Vice Chairman and Managing Director of SREI Infrastructure Finance Ltd., Hemant Kanoria.

BACK TO THE ROOTS

Hailing from a conservative Rajasthani family, Hemant was born and brought up in North Calcutta, the then trading hub of Kolkata. Traditionally, the Kanorias were in the trading business and after migrating from Rajasthan, spent many years in Munger in Bihar, where they had a large business in commodities, agriculture, trading and food products. Realizing that Bihar was not where the entire family could be

bred and brought up, the visionary Kedarnath Kanoria, Hemant's grandfather, moved to Kolkata more than six to seven decades back where he bought over Bengal Flour Mills Co. Ltd. from Balmer Lawrie and Co. Ltd., a sterling company.

YOUTHFUL BEGINNINGS

Though Hemant was still in his teens, he happened to be the eldest of his siblings and was therefore expected to get into a meaningful enterprise soon. "I was just about 17 years when I got into the business. Later on my father took over two more flour mills – one in Krishnanagar and the other in Cossipore. It was a great challenge to run and revive both units as one was a sick one and the other was lying closed."

NEW OPPORTUNITIES

Hemant's efforts bore fruit and his Cossipore unit re-started production and the Krishnanagar unit also turned around. However, Hemant was getting a trifle tired of firefighting changes in government regulations that made it more and more difficult for flour mills in West Bengal to grow. The Kanorias started looking around for viable business opportunities. "By that time, my younger brother Sunil, had completed his CA and was ready to plunge into the world of business. We saw that a large number of companies were getting into leasing and hire purchase. There was a gap in the market in the infrastructure financing area especially for construction equipments to construction companies. We

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These were probably invaluable years for the young businessman as he gained hands-on experience in marketing, production, tackling labour issues and overall management. "Those were genuinely challenging and exciting days as Krishnanagar was a Naxalite region; it was the time of License Raj and I was engrossed in work along with pursuing my B.Com at St. Xavier's in Cost Accountancy and Chartered Accountancy. However, the one constant teacher and mentor has been my father, Hariprasad Kanoria."

started SREI International Finance in 1989 with a vision of making it a sustainable institution that would add value to its customers and shareholders and contribute towards the development of infrastructure in the country." His objective and vision are now seeing the light of day.

Today their brainchild has become a full grown adult. The 16-year-old company has listed its \$35 million (Rs.153 crore) issue of Global Depository Receipts on the LSE. For the year end 31st March 2004, the total assets under management

With family



increased from Rs.1457 to Rs.1918 crores. Apart from its core business of infrastructure financing, SREI today also has a presence in capital market services, insurance services, Foreign Exchange and retail financial services.

SREI has also pioneered the concept of an equipment bank which operates by the brand name, Quipo, under Indian Infrastructure Equipment Ltd. The group's total assets would be more than Rs.2,800 crores.

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HIGH THINKING

Given all the globetrotting, the success and the accolade, Hemant seems to be apparently unaffected by it all. Soft-spoken, charismatic and a gentleman all the way, he is a self-confessed fitness buff, devoting a mandatory 30 minutes to yoga every morning followed by a round of squash or a run. He is also greatly inspired by the philosophy of Swami Vivekananda. "Right from our childhood, our parents have inculcated the values of simple living and high thinking and I am a firm believer and practitioner of the same."

Interestingly, whilst the joint family system seems to be eroding, Hemant continues to live and work jointly with his brothers and parents: "When the same standard of living is practiced within a family by all, then there ceases to be any friction. Instead there is togetherness and the atmosphere is very healthy for children to grow up in. We are four brothers and one sister, with nine children. All the brothers with children are all together and it is a real joy."

ON LIFE AND ITS CHALLENGES

"1992 was the turning point in my life, the day we were ready to launch our maiden public issue for SREI, both Sunil and myself met with a fatal road accident. We were severely hurt and instead of addressing the media and investors for our IPO, we were battling for life in the hospital. After coming out of the hospital, my attitude towards life changed completely. Nothing, therefore, disturbs me now and I am able to face any challenge without any tension."

So in all these years, what does he consider as his greatest achievements? In his characteristic underplayed comment he confirms, "I would say most importantly, having created a truly professional and global organization, we are also extremely happy to be participating and indeed being instrumental in the infrastructure development of the country."

And what does the future entail? "This sector is like an ocean; it is up to us to go and fill up as many buckets as we can," concludes Hemant Kanoria on an optimistic note. *TM*

With his wife



HIGHLIGHTS

>>Hemant Kanoria, born and brought up in North Calcutta, entered his father's business of flour mills at the young age of 17.

>>To fill the gap in the infrastructure financing area especially for construction equipments to construction companies, Hemant started SREI International Finance in 1989.

>>Apart from its core business of infrastructure financing, SREI also has a presence in capital market services, insurance services, Foreign Exchange and retail financial services. SREI has also pioneered the concept of an equipment bank which operates by the brand name Quipo.

>>A believer in Swami Vivekananda's philosophy of simple living and high thinking, Hemant and his family also believe in the joint family system and continue to live together.