

Review Essay

Rahul Bajaj: An Extraordinary Life. *By Gita Piramal*. Haryana: Penguin Random House India, 2022. 392 pp. ₹799.00. ISBN: 978-0-67009-171-3.

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Rahul Bajaj, long-time chairman of the more-than-120-year-old Bajaj empire—best known for Bajaj Auto, one of the most valuable motorcycle firms globally, and Bajaj Finserv, its financial services arm—was a larger-than-life figure in Indian industry and public life. Famed for his probity, Bajaj twice served as president of the Confederation of Indian Industry, was an elected member of the Rajya Sabha (the upper house of Parliament), was awarded a Padma Bhushan (the third-highest civilian award), and was a fearless and outspoken public figure. His business career, which started in 1958 at the height of India's License Raj, in many ways charts the story of India's dramatic economic transformation over the decades.

Bajaj's life and times are examined by Gita Piramal in *Rahul Bajaj: An Extraordinary Life*. A pioneer in biographical writing in the field of Indian business history, Piramal has written over a dozen biographies, mainly in short form. Her books *Business Legends* (1998) and *Business Maharajas* (1996) examined the careers and politics of titans such as G. D. Birla, Walchand Hirachand, J. R. D. Tata, Kasturbhai Lalbhai, Dhirubhai Ambani, R. P. Goenka, Aditya Birla, and Ratan Tata, covering the decades from the early twentieth century to the mid-1990s. She has also coauthored several case studies of family-run businesses, multinational corporations, and public-sector government enterprises, which has given her insights into the inner workings of Indian firms and their decision-making processes. Finally, her position as a sitting director of several Bajaj firms provides her with an insider's perspective that enriches the story she narrates here.

Despite the longevity of the Bajaj group, which was one of the earliest indigenous entrants into industry, in 1905, and the importance of the family in both business and public life, relatively few works have been written about them. This is surprising since published primary materials are easily available, such as the diaries of Jammalal Bajaj (founder of the

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Bajaj group and grandfather of Rahul), the memoirs of Janki Devi (Jamnalal's wife), and writings by Jamnalal's son Ramkrishna (uncle of Rahul Bajaj), along with archival sources. Foremost among the English-language biographies of Jamnalal Bajaj is B. R. Nanda's *In Gandhi's Footsteps: The Life and Times of Jamnalal Bajaj* (1990). Nanda's primary focus was to understand Jamnalal in the context of his relationship with Gandhi, which began in the mid-1910s, and his involvement with the Mahatma's constructive programs. Jamnalal was instrumental in connecting Gandhi to the Marwari community and garnering the support of merchants and traders who became key allies of Gandhi in his struggle against the British. Other biographers of Jamnalal, such as his son-in-law Shriman Narayan (*Jamnalal Bajaj: Gandhiji's "Fifth Son"* [1974]) and Shri Ram Bakshi (*Struggle for Independence: Jamnalal Bajaj* [1992]), have also concentrated on his relationship with Gandhi, ignoring other business and personal aspects of his life. This study by Piramal is thus most welcome, as it not only looks at Rahul Bajaj as a businessperson but is also a study of the larger Bajaj empire.

Piramal starts her story on August 11, 1942, the day Bajaj's mother, Savitri, was arrested while participating in Gandhi's "Quit India" movement; she was consequently imprisoned for thirteen months, during which time her six-year-old son forgot what she looked like. Piramal uses a vignette style, with each chapter revolving around a key event. This leads to some overlap in chronology but enhances the book's readability. She looks at Bajaj's early life, his education, his internship in 1958 at Radio Lamp Works, the forerunner of Bajaj Electricals, which he joined when he was twenty years old, and then his move to Bajaj Auto, of which he became CEO when he was thirty. Interwoven with these events are details of his personal life, his stint at Harvard Business School, his marriage outside the Marwari community, and the firm's history, including interactions with the political leadership that impacted the firm's fortunes. Piramal examines Bajaj's role in building Bajaj Auto and his strategy based on large volumes, low cost, and high quality. She also charts the firm's major milestones, including its technical collaboration with Piaggio, new product launches, allegations by Piaggio of violation of their terms of collaboration, and acrimony when Bajaj entered the US market. The story of Bajaj Chetak, a favorite of the middle class, finds a prominent place in the narrative.

Piramal skillfully interweaves the life of Bajaj with the story of the group, its expansion, and key business ventures and succession plans. She examines the changing economic environment from the 1980s when, thanks to the growing middle class, production of Bajaj scooters expanded more than twelve times. Under the younger generation, the group entered new fields such as life insurance and financial services,

and Bajaj Auto's global depository receipt (GDR) was listed on the London Stock Exchange. The last part of the book views Bajaj as the "fourth karta," or fourth-generation patriarch, who was concerned that the Bajaj legacy continue with amicable succession in all of the group's companies. Finally, Piramal brings in the voice of the younger, fifth generation, who reminisce about Bajaj.

Although Bajaj's skillful yet fair handling of labor is examined, Piramal also makes the reader aware of her subject's shortcomings. For instance, Bajaj failed to anticipate the transformation in consumer preference from scooters to motorcycles. Further, although he did set up one of the earliest R&D initiatives, not enough was done to promote research within the group.

Three aspects of Piramal's story stand out. First is her appraisal of how Bajaj dealt with the stifling environment of the License Raj. Though the Bajaj group benefited from the protection offered by the "command and control" economy in which it enjoyed a monopoly in a limited market, it also meant restrictions on production capacity. Bajaj scooters had a ten-year delivery period, but the company was not allowed to increase capacity. There was an endless wait to receive licenses, and Bajaj himself spent long hours in the corridors of government offices to plead his case. However, unlike other firms that overcame red tape by bribing and cultivating close relationships with politicians and bureaucrats, the Bajajs did neither. They refused to pay a single rupee for a license and did not curry favor with the ruling dispensation even though it meant that the group was refused permission to expand through the 1960s and 1970s. Only in the late 1970s when the Janata government came to power was Bajaj Auto allowed to double its capacity.

Bajaj's peers responded differently. For instance, Aditya Birla's response to domestic growth impediments was to look for opportunities overseas. Birla set up industrial enterprises in Thailand, Malaysia, the Philippines, and Indonesia, mostly with the financial backing of nonresident Indians. Within a few years, overseas activity accounted for one-third of his overall business, and the Aditya Birla group emerged as the first genuine Indian multinational corporation. Dhirubhai Ambani, ten years senior to Bajaj, grew close to politicians and skillfully raised finance by tapping the Indian middle class and getting it to invest in his company's equity. Perhaps Piramal could have paid more attention to Bajaj's interactions with these other business figures who were dealing with the same challenges during the License Raj.

The second interesting theme that runs through the book is the Bajaj line of succession, which Piramal traces from Kamalnayan to Ramkrishna to Rahul, ending her book with Rahul's sons. This makes her work much more than just a study of Rahul Bajaj; rather, it is an

account of how an extended family is enmeshed with the group and the ways in which family tradition is defined and reproduced to allow functioning as a social group. She looks at training, decision making, relationships with shareholders and dealers, and succession. However, one key omission is an insufficient discussion about the professionalization of management or key figures who were involved in management.

A third theme of the book is the relationship between business and state. Bajaj's grandfather Jamnalal and father, Kamalnayan, were closely associated with the Congress leadership (in fact, Prime Minister Jawaharlal Nehru named Bajaj Rahul). Kamalnayan was the Congress candidate from the Wardha rural constituency during three general elections. And in the 1952 parliamentary elections, three members of the family contested elections: Kamalnayan, Rameshwarprasad Nevatia (husband of Jamnalal's daughter Kamala), and Shriman Narayan (husband of Jamnalal's daughter Madalsa). In the 1957 elections Kamalnayan stood again for elections—with the nineteen-year-old Bajaj campaigning for his father. During the 1960s, however, the family became estranged from the Congress leadership when Kamalnayan decided not to support Indira Gandhi in her bid for prime ministership in 1966 and instead supported the Morarji Desai-led Indian National Congress (O) in the Congress's factional struggles. Differences deepened with the family's support of Jayaprakash Narayan (the main opposition leader during the Indira Gandhi regime and fiercest critic of the Emergency), Viren Shah's (close Bajaj family friend and chairman of Mukund Iron and Steel) association with George Fernandes (trade unionist and socialist leader who opposed Indira Gandhi), and Shriman Narayan's and the Bajaj family's support of Acharya Vinobha Bhave (another opponent of Indira Gandhi). The disagreements with Indira Gandhi had their repercussions: applications for industrial expansion were denied or ignored, and Bajaj family members were harassed by income tax authorities and implicated in official commissions of inquiry.

Rahul Bajaj continued this family tradition of fiercely independent politics. For instance, he successfully stood as an independent member of Parliament for the Rajya Sabha, refusing to join any political party. He spoke frankly against all attempts at nationalization, was one of the few businesspersons to condemn the Godhra riots in February 2002, and openly questioned Narendra Modi, then chief minister of Gujarat, at the Confederation of Indian Industry annual session of 2003. Further, at a public function in 2017, he raised concerns over the inability of the central government—now led by Narendra Modi, who was elected prime minister in 2014—to accept criticism, its refusal to take action against mob lynchings, and the growing intolerance in the country.

Overall, Piramal's book is much more than a biography. It is the story of business leadership, of the entire Bajaj group, one of the largest family businesses in India, and of the relationship between government and business. It presents a vivid picture of economic change in India, the consistent political uncertainty that businesses face and need to negotiate, the opportunities that were missed during the early decades of Independence, and the ones that have unfolded since the 1980s. Painstakingly researched, it draws on Piramal's extensive knowledge of Indian business and her unrestricted access to material from the Bajaj archives. The biography is invaluable to business and economic historians and all those interested in the story of business and recent economic developments in India.

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