

# Business pays homage to good karma



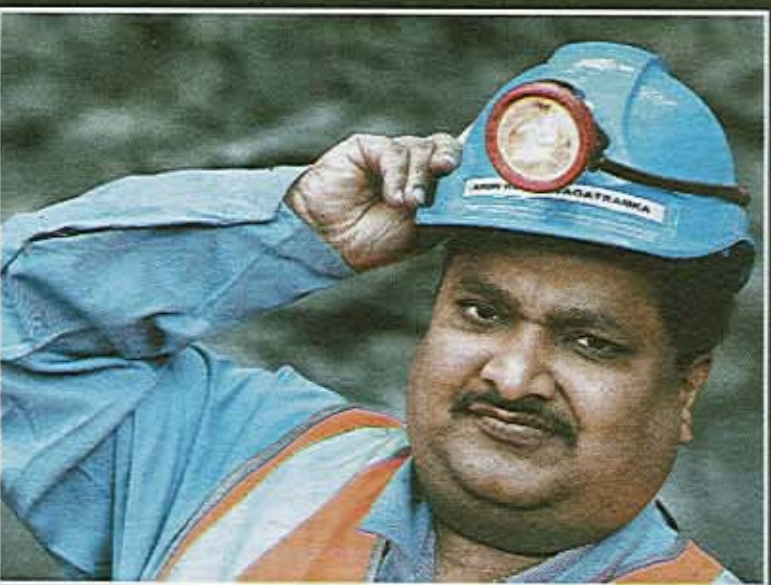
**'Mediocrity' no more:** Mr Jagatramka, with Prime Minister John Howard, is one of a new breed helping to drive an industrial revolution in India.



**Good turn:** Karma has prompted Mr Jagatramka - with Wollongong Lord Mayor Alex Darling - to pay his prosperity forward in the Illawarra.



**Family business:** Mr Jagatramka with his wife Mona and their three children Tanvee, 20, Kavita, 17 and 14-year-old son Ayush.



**Entrepreneur:** The 44-year-old has guided his family's fortunes to a net worth of more than \$400 million in just nine years.

Operating on the belief that what goes around, comes around, an Indian coal producer is investing in the health of Illawarra citizens, writes **PAUL McINERNEY**

**P**HILANTHROPY has never been the long suit of Australian business. Especially in the hard-edged world of coalmining. So when Indian coal producer Gujarat NRE Australia announced last December it would commit millions of dollars to improving mental health in the Illawarra through a 5¢ per tonne "social royalty", eyebrows were raised in boardrooms across the nation.

The company expects to export about one million tonnes of unwashed coal this year from its No 1 Colliery at Russell Vale, two million tonnes next year and up to three million tonnes in 2008.

With enough coal reserves in the Bulli seam to satisfy those sorts of production levels for more than 50 years, that's a lot of charitable dollars.

Gujarat NRE Australia's social largesse will grow if its recently reopened second colliery at Avondale achieves the predicted 1.5 million tonnes a year of coking coal from 2009.

"Like with our No 1 mine, we will look to do some sort of good project," company chairman Arun Kumar Jagatramka told the *Mercury* this week.

Mr Jagatramka is one of the new breed helping to drive an industrial revolution that is quickly transforming India's heavy industry from colonial wimp to international powerhouse.

In March this year, he wrote in a company magazine: "Gone are the days of yore. India has broken the shackles of mediocrity and tepid growth that it had imposed on itself.

"Gone are the inward looking entrepreneurs who were still burdened by a colonial mindset. Gone are the days of dependence, of looking towards the West for technology, capital, markets or processes."

Riding astride a rapidly expanding economy only outgunned by China, the 44-year-old has guided the expanding fortunes of a string of family-owned coke-making companies since 1994.

His semi-retired father Girdhari Lai Jagatramka remains chairman of the parent company board based in Calcutta, on which Arun sits as vice-chairman and managing director.

A chartered accountant by



**Benevolent:** Gujarat NRE Australia chairman Arun Kumar Jagatramka will commit millions of dollars to improving mental health in the Illawarra.

training, he spent 10 years working in merchant banking before joining the struggling coke-making company founded by his father and run at the time by a brother-in-law.

Mr Jagatramka modestly accepts responsibility for building the family's net wealth from about \$500,000 to more than \$400 million in just nine years.

A self-confessed workaholic, 18-hour days are the norm in a grinding schedule that spans two countries and half a dozen cities.

According to the annual wealth report published by the *Economic Times* of India, the Jagatramka family now ranks as the 105th richest in the nation.

Parent company Gujarat NRE Coke has just sneaked in at No 97 on India's top 100 companies list.

The company's multi-million-dollar investment in two coalmines in the Illawarra as well as a slice of a number of small Australian resource and mineral exploration companies is the platform for future expansion. And greater wealth.

It is this accumulation of a vast fortune and the good life it has provided for him and his wife Mona and their three children Tanvee, 20, Kavita, 17 and 14-year-old son Ayush, that largely fosters Mr Jagatramka's philanthropy.

He quotes an old Hindi saying, "Tera tujhko arpan, kya laage mera (To you your gift, what cost to me)".

It loses something in the translation, but in broad terms it means giving a gift to someone presents the recipient with good luck and in turn, it is hoped, that

good luck may rub off on the gift giver.

What goes around comes around?

"Most definitely yes," he says, smiling.

"I'm not a superstitious person in the strict sense of the word, but I am God-fearing.

"I believe in destiny and maybe the mine will keep going for many years because those unfortunate people with mental health problems have earned their 5¢ a tonne.

"If God wants us to take out two million tonnes a year to make them happy, then I will be very happy too."

This view also extends to all Gujarat NRE employees in both India and Australia.

Every employee is given a shareholding in the company free of charge.

At the NRE No 1 Colliery, every employee has received 2000 shares in Gujarat NRE Australia.

"The company is not a publicly listed company yet, but when it is I expect the shares to be a minimum \$2 a share," Mr Jagatramka said.

Despite his punishing work regime, time is put aside every two months to personally greet No 1 miners as they emerge from their underground shifts.

While he has no underground training or mining experience, he sees himself as a hands-on boss. Each new employee must meet and receive the chairman's seal of approval.

"Profit is the lifeblood of any company, but people first and foremost are our most important asset," Mr Jagatramka said.

**'If God wants us to take out two million tonnes a year to make them happy, then I will be very happy, too.'**