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Assessing Ananda

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SOMETIME in the mid-80s, the top brass at Petronas were given a task by Prime Minister Datuk Seri Dr Mahathir Mohamad: set up an urgent meeting with the Indonesian Minister in charge of natural resources. The chairman of Petronas at the time was Raja Tan Sri Mohar Raja Badiozaman while Tan Sri Abdullah Mohamed Salleh was the chief executive. Abdullah and his aides went through normal procedures, which is to make arrangements through the Indonesian High Commission in Kuala Lumpur. But there was a hitch.

The official route took some two weeks - and the Prime Minister wished for a meeting 'as soon as possible'.

In stepped low-profile T. Ananda Krishnan, who was then sitting on the boards of Petronas and Bank Negara. Through his connections in Indonesia, Ananda got the Minister concerned to fly into Kuala Lumpur within two days. The meeting took place and the Prime Minister was happy. But at Petronas, there were many red and dazed faces.

'That is one thing about Ananda. Among all those businessmen close to Dr Mahathir, he is one man who has delivered so far,' says a foreign head of research.

The top brass of Petronas knew Ananda as an oil and gas trader even before he became a director. But his ability in getting the Indonesian Minister to come to Kuala Lumpur within two days left even his detractors in the national oil company in awe.

Ananda's connections, vision and business achievements propelled him into Forbes Magazine in 1997. He was described as one of the richest ethnic Indians in the world. 'His vision is fantastic,' says a technical consultant who has done work for Ananda. 'He is an extraordinarily intelligent man who thinks 10 years ahead.'

Many who have worked, or are working, with him admire his techno-visionary skills. 'He got out of the oil business a long time ago and jumped into telecommunications and multimedia,' says Jamaluddin Ibrahim, the chief executive of Maxis Communications. 'He is IT-savvy. He is well-read and is adept at any latest developments in IT and telecommunications. This is one man who can talk at ease with the likes of Bill Gates.'

An associate says Ananda pursues his aims with great vigour and is 'very professional' about it. 'If I were to describe his outstanding qualities,' he says, 'they would be single-mindedness, discipline and focus - almost to the point of routine, which some would consider boring.'

A childhood friend, a retired property developer, recalls that in his younger days, Ananda had some speech problems. But he obviously worked on them. 'I was amazed to see him acting in a Shakespearean drama in school a few years later. He also headed the school debating team.'

Ananda, although very much into the media and entertainment business, is publicity shy. Attempts to get an interview with him did not meet with any response. This, apparently, extends to his management style. He omits board meetings - he is often not even on the board of his many companies.

'But he takes the trouble to attend the bi-yearly group technical meetings where all the chief technical officials of his companies converge and discuss new developments,' says a consultant. 'He can read a 400-page technical report (on IT) in three or four hours and comment on it.'

In a rare interview, with Business Times in 1996, Ananda was quoted as saying, 'We don't do things that everybody else is doing. To make money,

you have to find tomorrow's business, make tomorrow's money. If you try to do business that is today's money, your margins are small. For tomorrow's business, you have to wait, but the margins are big.'

That seems to about sum up his business philosophy. He goes into businesses in their infancy and makes a pile after he has added value. There are many instances.

In 1989, he bought a piece of prime land in the heart of Kuala Lumpur for RM110 million and paid a conversion fee of more than RM300 million. Later, Petronas took up a 51 per cent stake in the development company, KLCC Holdings, for more than RM600 million. This is said to have helped Ananda in developing the property without forking out additional capital (see accompanying story).

The year before, Ananda had taken over the loss-making operations of turf clubs in Malaysia, added value and injected them into a laggard listed company, Tanjong Plc. Ananda earned a lot of money from the capital appreciation of the shares.

Ananda ejected out of the oil business in the mid-80s when many were still excited about the 'black gold'. He jumped into satellites in 1991 when most in Asia were still groping in the dark about computers and the Internet.

Today, Ananda has the infrastructure in place to reap benefits from the convergence of IT and telecommunications, which has resulted in glittering prospects for the media-cum-entertainment industry. His privately-owned corporate flagship, Usaha Tegas Sdn Bhd, is the majority shareholder in Maxis Communications, Malaysia's fastest-growing telecommunications player. 'Maxis is easily one of the better run mobile phone operators in Malaysia,' says Francis Cheung, the telecommunications analyst of Credit Suisse First Boston in Hong Kong. 'It is strategic and is poised for expansion.'