



# ‘I LEARNT EARLY ON TO STAY ON THE HORSE’

# LAST

**YEAR, AT THE HEIGHT** of the pandemic, Nisaba Godrej took over as Managing Director of Godrej Consumer Products Limited (GCPL). Having steered the group flagship through the turmoil, she recently handed over the CEO's chair to HUL veteran Sudhir Sitapati, remaining in the role of Executive Chairperson. In a candid chat with **Udayan Mukherjee**, she talks about the trajectory of Godrej Consumer and her own life, the mistakes and learnings along the way, and what the name Godrej means to her. Edited excerpts:

**Nisaba Godrej,**  
Executive Chairperson,  
Godrej Consumer  
Products



**UM:** Nisa, you relinquished executive charge as CEO earlier this year, but a fact which is not very well known is that apparently you had made quite a habit of frequently tendering resignations to your dad Adi Godrej earlier in your career. Of course, none of them were accepted. Can you tell us about this curious aspect?

**NG:** I did resign three-four times and this is going back about 15 years. I had just come back from business school and joined the group—the agri business. I was working on the turnaround there and wanted to make leadership changes and do all sorts of other things, and kept getting told that my values were wrong because, you know, at Godrej we stick with our people and I was being very negative. I pointed out that it was the bottom line that was negative, not me!

Thankfully, at that time, my father probably realised that no one else was going to employ me, so he kept his patience with me and, somewhere along the line, I learned how to influence others, not get too frustrated and figure out how to get things done. That's why I'm still here.

**UM:** On hindsight, would you concede that you were impetuous and hot-headed—that you have evolved over the years and are a different person, a different manager today?

**NG:** I wish I could say that I am 100 per cent different, but I think I have had some amount of growth, and I am not as hot-headed as I was. If I can give you an analogy, because I love riding, you know, sometimes you take the horse to the jump and it refuses to jump. And I would just get off the horse, saying, 'You stupid horse, it's your fault'. And I think that the learning, as you gain a little bit of wisdom, here is that if you want that horse to go over the jump, you have to stay on the jump. You have to have tenacity. I learnt early on to stay on the horse and ride gracefully, and negotiate the path between the jumps.

### ON NEPOTISM

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### ON HER EVOLUTION

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### ON WORK-LIFE BALANCE

I have the 'guilt' gene missing. I don't feel guilty that I am not doing enough with my kids and I don't feel guilty that I am not doing enough at work. I am just doing my best

### ON PASSIONS

One of the things which my father gave me was this love for water sports, trekking, mountain climbing

### ON HER BROTHER

Leadership can be a lonely business and having someone to travel that journey with is wonderful. In family businesses, it can be wonderful or it can be terrible, but my brother is just a rock and super supportive

**UM:** It's an interesting analogy, but the one thing you cannot do while riding a horse is have two jockeys on the saddle. It's you alone. But now you've created a situation where you are the chairperson and you've got a veteran from the corporate world to become the MD. Does this formula work? Can two people jointly steer a ship or is friction inevitable?

**NG:** It takes a lot more than two people to run a firm, so I don't think it's only about Sudhir and I. I was the chairperson before and I've been in GCPL leading strategies and in leading roles for over a decade now. To give you a little background, if you think about GCPL, pre-Covid-19, we were not doing too well. If you look at 2018-19, growth had slowed, acquisitions in Africa were not performing well, and then Covid-19 came.

When your company is not doing well and gets hit by a crisis, you have to be decisive. Our previous CEO Vivek [Gambhir], who I am still extremely close to, had some health issues, so at that time, we decided along with the board that through the Covid-19 turmoil, I would lead the company.

I'd already had the reins in my hands for many years, but this was just holding it a lot, lot tighter. We sort of navigated the crisis relatively well and the original idea was that I would do this for a couple of years, see us through Covid-19 and then start looking in parallel for a CEO. Sudhir happened earlier than I thought, but when a good thing happens, you do not waste time. That's why he's now going to be formally in the saddle, so to speak. I don't think there is any sort of conflict. I am the Executive Chairperson and he is the CEO. We have our roles outlined quite well and the reason to bring someone like him is that he is both strategic and operational. We had these growth issues in the past. We had very strong growth areas and then things slowed down. Things have picked up now, but he still has quite a task set out in front of him, and I wanted this fresh pair of

eyes also for the company. I have been with this company for 15 years. I wanted us to take the bar higher, so I feel he's really going to come in and do that.

**UM:** But how do you see the distinction between a promoter-run company and a professionally managed one? The reaction from investors when you took over was that this is the end of the road for a management-run company; it will now be a promoter-owned gig. And this year, the reaction was the opposite—she's stepping back and a professional manager is taking over again. Does this bother you?

**NG:** Essentially, what you want to say is what happened to the stock price when I announced that I was becoming CEO—the stock price fell 10 per cent. When we were going to announce Sudhir's appointment, I joked with my CFO Sameer [Shah] that he better not let it go up more than 10 per cent because my ego might not be able to take it! But we went up the highest we have ever been, 20 per cent in one day!

**UM:** Did you feel bad that day? Was your ego bruised?

**NG:** No, because you are taking the right decision for the company. Let me just put a disclaimer out there that I am probably a product of some degree of nepotism. I am not blind to the fact that I might not be here on this chair, but for where I was born. I also think nepotism can be a terrible thing. It can destroy companies, countries. You can see what happens even in politics when this gets out of hand. That being said, I think you really need to look at individual people, not just as a promoter or professional—

I think that's a narrow-minded view. Does a person have an ownership mindset? And are they professional? When those two things come together, whether it's in a professional or someone who is a promoter, I think that's a pretty powerful combination. And Udayan, I have to tell you at the time when I did become CEO, all our big investors—I have letters—they put it in writing that they are very happy that at such a difficult time, you have stepped in. I went to them with the presentation, saying here is the bad news, here is the good news, and here is what I'm gonna do about it. So I don't think we should have narrow views on promoter-versus-professional. I think we really need to look at the individual, especially at the highest leadership level.

**UM:** Hey, I was not accusing you of nepotism, it was meant in a light-hearted way.

**NG:** Let's be honest about it—there is nothing to hide. I am here because of where I was born, but hopefully, at the end of my career, crosses and ticks are not based on what

my last name is, but what I did as Nisaba, not because I was a Godrej. I was just putting that out there that I am comfortable talking about it.

**UM:** That's putting it nicely—that you will be judged by what Nisaba did, not what your last name was. So let me ask what having the Godrej surname means to you. Does it fill you with a sense of obligation, gratitude, or does it rankle sometimes?

**NG:** I think it's less about being Godrej when I think of myself as an Indian woman and just this ovarian lottery that I have won. I have a master's degree and I've had all these opportunities and privileges in life. To whom much is given, much will be expected—that's a famous quote. Much of what is expected has weighed down heavily on me; I should do something good with it, that's how I think about it.

**“ I DO NOT THINK THERE IS ANY SORT OF CONFLICT. I AM THE EXECUTIVE CHAIRPERSON AND SUDHIR [SITAPATI] IS THE CEO ”**

**UM:** You were candid in admitting that Godrej Consumer had a bumpy ride during 2017-19. I remember investors complaining that despite such a strong brand name, you had lost your way with those international acquisitions. Would you concede there were mistakes made along the way and now you are in a position to set it right?

**NG:** As any other company, we all make mistakes all the time and if you can correct them fast enough, it is very good. If I break up the acquisitions quite simply for you—the two big pieces, one was Indonesia and the other in the African continent. So let me take a second to pat myself on the

back. For the Indonesian part, we paid about \$275 million and now, from a valuation perspective, that acquisition is worth about \$1.5-2 billion. The Indonesian acquisition has done very well for us. That's because in Indonesia, the categories they have are similar to the ones we have in India. We were able to go in and do a good job there.

Africa was a different story. My brother actually asked me a few years ago if I would say that, on the whole, we had made a mistake with the acquisitions. And I said not from an overall sense. I still believe Africa will be a huge growth engine and value accretive for GCPL in the medium to long term. But there have been lots of learnings in Africa's M&A strategy that I would do differently now.

**UM:** Now the inevitable question, given that the stock went up 20 per cent the day you appointed Sudhir Sitapati as the MD and CEO. He comes from a very strong foods background at HUL. Will you now focus on food and refreshment?

**NG:** No, we have not hired him to build the food portfolio. We are very focussed on our purpose of bringing goodness of health and beauty to emerging markets, and will stay much more closely to the categories we are in already, and food is not part of that plan.

**UM:** Would you focus more on organic growth or would you continue to be as aggressive on the inorganic front as you have been in the last decade?

**NG:** Focus will be on organic growth. If you read some of my letters to shareholders going back to last year and this year—it is that we need to be in the double-digit organic growth lane, which I think is very much possible. In consumer products, we will always be looking at acquisitions. My thinking is when we do buy, and we will buy, it will be more focussed on India, Indonesia and South-East Asia. In Africa, we clearly want to get to double-digit EBITDA margins before we put any more capital there. But the first priority will definitely be organic growth.

**UM:** And you are confident that Godrej Consumer is back on a double-digit volume growth trajectory for the foreseeable future?

**NG:** I am quite confident about that. Sudhir's thinking is very strong, both strategically and operationally. So I think he is really going to lift the game for us. GCPL has many existing strengths and we have become this excellent product company over the last decade. The product innovation and the things we have done, if Sudhir can add his excellent marketing skills to that, it is going to be a really powerful combination.

**UM:** You mentioned your brother [Pirojsha Godrej]. He is into real estate and you are at the helm of the consumer flagship. Was it by design, was it your father's way of carving up the family business? What's your equation with him like?

**NG:** We tossed a coin, Udayan. No, I am joking! My equation with my brother is incredible. So if I count my blessings in life, he is right there on top of that list. He is an extremely intelligent, wonderful person. Leadership can be a lonely business and having someone to travel that journey with is wonderful. In family businesses, it can be wonderful or it can be terrible, but my brother is just a rock and super supportive. It is amazing to work with him. I always say that I was very lucky because post the initial differences that I had with my father, in terms of viewpoints and strategies, when he gave me the freedom, he fully backed me. He was always there by my side. I used to live with my parents in my 20s, and my father and I would take these long walks from Walkeshwar to The Oberoi hotel, and talk very passionately

about the business. I was always fully supported. I have this same thing with my brother now, the shared passion.

**UM:** Do you still get advice from your father? Did it ever rankle to be called Adi Godrej's daughter because you are your own person, and a very accomplished one at that?

**NG:** No, I was always proud to be his daughter. I don't stress too much about all this. It's probably one of the strengths and one of my weaknesses too that I don't seem to care too much about what other people think of me or say of me. I am truly proud to be Adi Godrej's daughter, that's the truth.

**UM:** Tell us a bit about yourself as a person. You spoke about riding horses. What else do you do. What are your other passions or interests?

**NG:** Horses have been a life-long passion and I love riding. I love taking my kids with me for rides. I love the outdoors. One of the things which my father gave me was this love

for watersports, trekking, mountain climbing, a lot of it came from him. When we were kids, we'd go out in his speedboat. He'd drop us in the sea at Juhu and ask us to swim back. He has this beautiful TED talk on girls and adventure, and how it builds courage. A lot of my personality came from doing all these outdoor activities with my father. I am glad that I get to share the same with my children now. Doing work in education and being able to bring equity and education to India is another thing that I am really passionate about. I like reading and I am an introvert, so I don't love people so much generally, but I do love the people I am close to.

**UM:** How has it been balancing family and work as a woman leader? I had this conversation with Indra Nooyi the other day and much of it was about the pressures and compromises a woman needs to make in the workplace. How has it been for you on that front?

**NG:** It's been sort of fine. I read Sheryl Sandberg's *Lean In*. I used to come from that school of thought and then read *Unfinished Business* by Anne Marie Slaughter and she said it all works fine till something goes belly up in your family or something happens with a child, and you have to spend an inordinate amount of time fixing it. That has fortunately not happened to me yet. So I am able to manage it fine, and a secret that I share with people is that I have the 'guilt' gene missing. I don't feel guilty that I am not doing enough with my kids and I don't feel guilty that I am not doing enough at work. I am just doing my best. Sometimes, my best would be fabulous and sometimes I will be falling flat on my face. And this philosophy works out well for me. **BT**

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ON OUR  
PURPOSE OF  
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TO EMERGING  
MARKETS ”**