

## RK Behera

Founder & Chairman, RSB Group

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**R**K Behera, Founder and Chairman of the RSB Group, started his entrepreneurial journey in Jamshedpur in 1975 along with his brother SK Behera. Together, they established International Auto Products, which eventually merged with RSB Transmissions (I) Ltd in 2009.

Today, the RSB Group is a leading global engineering institution with turnover of more than Rs1,400 crore, manufacturing a wide range of products for the automotive, construction equipment and other sectors. Presently, it has 14 manufacturing plants spread over seven locations in India, and one each in US, Belgium and Mexico, besides a partnered venture in Brazil.

Last year has been very challenging for RSB due to the ‘volatile swing of economy, unfriendly fiscal measures, rupee gone for a free slide, liquid gold taking up a beating with dollar unparallegly strengthening and buyers shunning their shopping fist’. “This has had a cascading effect on us being in auto-comp sector. However, with aggressive tapping of unexplored market and cost reduction drive, we have managed to sail through without much of obstacles,” Behera says.

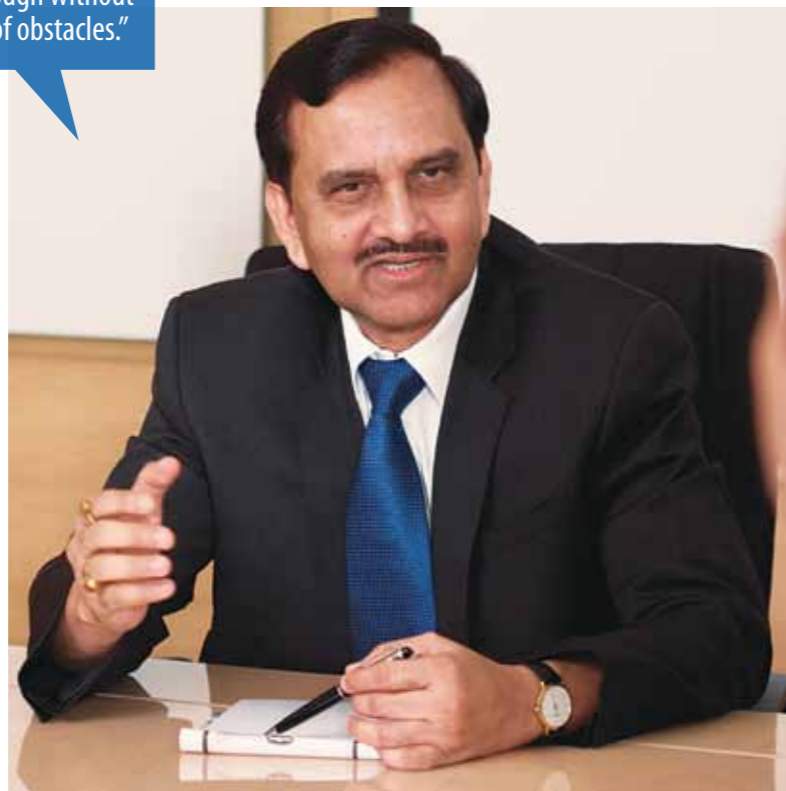
Taking challenges head on and emerging successfully is something Behera actually cherishes. While the Group has grown into a giant today, Behera cannot forget the challenging times when he had to overcome huge financial hurdles. During the adolescence of his entrepreneurship, in 1990, he had embarked to set up Neelachal Auto Pvt Ltd (the original version of RSB). At that time, International Auto Products had a turnover of around Rs100 lakh while the Neelachal Auto project was worth about Rs130 lakh, many times over his financial capability. Be-

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hera could manage a term loan of Rs90 lakh from the state government financial institution but was still falling short by about Rs32 lakh. “We aimed to fill this gap through Rs15 lakh of state subsidy and Rs15 lakh of seed capital (meant only for first generation technocrat entrepreneurs) from a national level financial institution.”

The seed capital was an attractive source of fund, because it was like quasi equity as it bore only one percent interest rate with liberal repayment terms. But securing these two sources of fund was considerably difficult as they entailed a lot of stringent scrutiny and evaluation. In those days, sanction and disbursal also used to consume a lot time. “But I had conviction in the project. I myself prepared the detailed project feasibility report – technical, marketing and financial aspects. Even though the funds were not tied up, it was my



firm conviction that gave me the confidence to go ahead with the project – buying land, ordering for equipment and firming up the customer orders.”

In the meantime, Behera also continued negotiating with the industry department and the financial institution for the state subsidy and the seed capital respectively. “While the negotiations were on, I had to arrange for alternate source of fund to continue with the execution of the project. I was fortunate enough to meet a senior official of a nationalised commercial bank who appreciated my effort. We gave the bank the required comfort through endorsement from our prospective customer. Convinced, the bank extended a bridge loan.” Also, after much difficulty, he was also able to convince both the industry department and the financial institution about the merit of the project and he could secure the approval for Rs12 lakh each towards state subsidy and seed capital respectively. “In spite of the hurdles, the project implementation was on schedule and we delivered to the customer on time,” Behera remembers.

He calls the ordeal tiring but exhilarating. “It made me aware that there is a divine force which always conspires to grant success if there is deep conviction and strong desire to do something noble and good. This was a life changing experi-

ence for me. It infused in me the confidence and belief to take challenging projects and by the grace of God I have done that serially. This is one of the most memorable chapters in my life,” recalls Behera with nostalgia.

Behera is also extremely emotional about his parents and believes that the moral values he inherited from them are the moorings of his life. “Since childhood and even today they continue to inspire and motivate me. Their values help me to stand rock steady even in times adversities which have been many,” he says with gratitude.

It is this emotional quotient that also motivated Behera to have a strong focus on people engagement. In fact, Behera has been leading the Company by mentoring and facilitating the top management, principally, in evolving the strategic roadmap of the Company and overseeing its implementation. Today, the RSB Group is marching ahead propelled by innovation and efficiency. Behera’s simple mantra for staying ahead of competition is continually redefining and reinventing the organisation and its products. “Make your products continually redundant through research and development, lest global competition will make for you,” he emphasises. His personal vision for the organisation is to be amongst the most admired organisation with a significant global presence.