



Sitting in his corporate office in Ballard Estate Mumbai, overlooking the sea, Manoj Tirodkar, founder of the Global Group, is more sanguine these days. A large part of the ordeal his company faced on account of its huge debt is behind him.

Now, "turnaround" is the buzzword in the Global Group, which has in its fold listed tower company GTL Infrastructure Limited (GTL Infra), network services arm GTL Limited (GTL), and passive infrastructure sharing firm Chennai Network Infrastructure Limited (CNIL). In 2010, following the 2G spectrum scam and the cancellation of 122 licences thereafter, the Global Group, like many other telecom infrastructure providers, hit a roadblock. "In the aftermath of the 2G scam, 20,000 tenants of Aircel cancelled their contract of Right of First Refusal. We were also impacted by the suspension of BSNLs (Bharat Sanchar Nigam Limited) expansion plans, where GTL was expected to engineer the tower sites," says Tirodkar. All this resulted in a massive debt of Rs 195 billion at the group level. The company's woes were compounded by rising operating costs in a deteriorating investment climate.

To stop the bleed, many critical measures were taken, which are yielding results. The recent completion of the first step of strategic debt restructuring (SDR) has already led to a sizeable shrinking of the combined debt of its tower companies GTL Infra and CNIL (which are in the process of a merger), from Rs 140 billion (including foreign currency convertible bonds) to a sustainable level of Rs 38 billion.

The group was keen to honour its commitment to its lenders, which led to a massive repayment of the principal and interest of Rs 157 billion without additional borrowings. "It has been a very challenging period. Stabilising the company was our first priority along with paying back our lenders," says Tirodkar. As part of the SDR process, a consortium of state-run banks has converted the company's outstanding loans worth Rs 44.92 billion into equity. The company had to also monetise and write down some of its assets. Tirodkar's majority stake of 80 per cent has been diluted to 27 per cent in the merged tower entity, which can now look to a debt-free



Tenacity and Commitment

Having overcome tough challenges and successfully rebuilt his business, Manoj Tirodkar, founder of the Global Group, is now focusing on the road ahead...

future. "While the past few years have been difficult, they have been very satisfying too. It has been like building our business again," says Tirodkar.

Tirodkar's professional journey began early, straight after school in fact. Soon after his Class 10 board exams when a European business associate of his father's

hinted at an opportunity to work in Germany, Tirodkar grasped it with both hands. He was certain that he would learn more from working there than pursuing a college degree in Mumbai. While in Germany, he received several letters from his father, urging him to resume his studies, but he was busy learning life lessons at work.

He entered the business arena in 1981 with big dreams and bigger aspirations. He was only 17 then. He assisted his father in his shipping agency business. But he soon got tired of that and developed instead a keen interest in telecommunications. He ventured into this space in 1985 by starting Global Telecom for the distribution of fax machines. He also became among the first in the country to manufacture wireless antennas for the Department of Telecommunications.

"It started with a vision of wanting to be an entrepreneur in the field of telecom. I was young and energetic, and there was fire in my belly to do something new and innovative," reminisces Tirodkar. Starting small with three or four employees in a 300 square feet office, he started distributing Apple computers and desktop publishing systems. He also got involved in manufacturing push-button phones. In those experimental days, he even tried his hand at producing a TV serial, called Partner, with content being a part of his vision in those early days.

Tirodkar typified the new entrepreneurial India, which was willing to take risks in order to passionately pursue goals. "In 1992, we saw the need to grow rapidly and launched an initial public offering, which got us Rs 18 million," he says. In 2000-01, riding on the dotcom boom, he became one of the country's first internet service providers offering global electronic commerce services. He subsequently monetised the business for Rs 5,000 crore and ploughed the earning into the telecom tower business, which had become the focus then.

In the early 1990s, the telecom sector was extremely regulated, throwing up many challenges in doing business. However, liberalisation in the late 1990s changed the whole scenario. It opened up a world of opportunities. "It was an exciting time, the golden era, which led to explosive growth," says Tirodkar.

It allowed him to harness his restlessness and create value for GTL. And there was no looking back from there. His lack of a formal education didn't clip his wings; nor did his education in Marathi medium. He quickly transcended his modest begin-

nings to claim 74th place in the Forbes rich list in 2010.

Most of Tirodkar's learning came through observation, exposure and reading. "People and books have inspired me. I do not read fiction. When I was very young, I used to read magazines like Fortune and Forbes. Also, reading books by management guru Peter Drucker has given me insights into the best practices of leaders the world over," he says.

All was going well till 2010. He had successfully concluded the acquisition of 17,500 towers of Aircel in a transaction worth Rs 84 billion. He was also looking into a merger with Reliance Communications' telecom tower business, which would have made GTL Infra the largest independent tower company in India. However, the 2G telecom scam put paid to all those plans. Many customers' licences were cancelled and GTL Infra was left with a whopping debt. Today, Tirodkar says, he would perhaps exercise more caution. In order to evolve and future proof his tower business, he made an investment based on cash flow projections rather than on available cash flow. "Although GTL Infra was not a party to the telecom scam, it suffered collateral damage," he says.

That was a big learning. Tirodkar is now focused on navigating the road ahead. The prospects look bright. GTL Infra is adding tenancies each year. As of March 31, 2017, it has 50,800 tenants, and the number is expected to cross 60,000 by 2018-19.

"Our strength lies in our keen customer focus, tremendous tenacity and commitment to investors," he says. "We have taken a conscious call to repay our lenders, shared a part of our ownership, made sure our network performance is at its peak of 99.7 per cent including in difficult terrain and are motivating our 70,000-odd direct, indirect and dependent employees."

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Tirodkar says he is not a very social person. But the people who work with him mean a lot to him. They are his family. Most have been with him right from the beginning and made the journey with him. He is surrounded by loyal professionals, whom he has nurtured by building their trust and faith.

Known by his colleagues to be hands-on, passionate and humble, Tirodkar also has the ability to add value, offer a new perspective, and change and adapt – all of which creates a positive, progressive environment at the work place. His management style is open and transparent. He also encourages participative decision-making and attempts to motivate and reward top performers constantly. "I try and look at the positive side of people and help bring out the best in them," he says.

An early riser, Tirodkar's day typically starts at around 5.15 a.m. with exercise. He also uses the quiet time to introspect, reflect and plan his day. Work keeps him busy but when he does get time, he likes to spend it on gardening, interior decoration, music, reading and travelling.

Aside from business success, what he also finds immensely satisfying is the group's corporate social responsibility (CSR) activities. He got into it way back in 1994. Global Foundation, the CSR arm of the Global Group, is a public charitable trust that is running several computer literacy projects for disadvantaged children and the physically impaired.

If there is one challenge that has left its mark on him, it has been the derailment of the Global Group's growth in the past six years. "All my energies have been focused on reinventing our business to ensure we will be able to repay our lenders. There wasn't any time to experiment as an entrepreneur. When you have nothing, you go for everything, but when you have something, you want to protect it. With all this happening, I haven't had the ability to do anything new in the past six years," he says.

Nevertheless, with the restructuring phase in motion and the company looking at a brighter future, his entrepreneurial instincts will not remain contained for long. It will probably not be very long before he again attempts something new. ▲

