

KK Modi group lays road map for next generation

fe Bureau

New Delhi, Apr 14: In order to scale up global operations while safeguarding the interests of its family promoters and shareholders and also to put in place a succession plan for the next generation, the diversified KK Modi Group has set up a family council and a group corporate centre.

The KK Modi family council will be chaired by Bina Modi while the corporate centre will be led by ex-IOC chairman Sarthak Behuria who will be its group president. Also, the group has unanimously agreed that Bina Modi will take over as the managing trustee of the family after the active involvement of the chairman KK Modi. "As a result, she will play a key role in bringing about consensus on how the group will be managed by the next generation of promoters," a company statement said.

The ₹ 4,000 crore KK Modi group has a diversified portfolio of businesses in various sectors including tobacco related products, agri-chemicals, specialty chemicals, education, cosmetics, direct selling, entertainment and restaurants, among others.

With the launch of the cor-

porate centre and the family council, the KK Modi group will have a tiered management structure. The group will be managed by three major governance bodies at the corporate level, which includes the corporate management council (CMC), corporate executive committee

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and the family council.

According to the company, the role of the family members in the business will be same as before — to provide strategic direction and mentorship to the professional management which will drive the group's businesses to full potential. In addition to being members of the family council, the promoters will have a critical role in CMC as it will be the apex decision making body for the group. The CMC

will be chaired by the chairman KK Modi and include the promoters of the group (Bina Modi, Charu Modi Bhartia, Lalit Modi and Samir Modi) and independent directors.

Announcing the launch, the group's chairman Modi said, "As we embark on our next phase of growth, it is important that we professionalise the group and have the family members play a key role in helping us achieve our aspirations. Bina is glue to the family fabric and will play a critical role in driving agenda of the family council and aligning interests of the different family members to our shared aspiration." Bina Modi as the chairperson of the family council will have a key role in aligning the long term interests of family members, a company statement said.

These initiatives are aimed at meeting the group's aspirations of reaching \$5 billion in market capitalisation in the next five years. Also, these measures will help the group focus on international expansion building on its recent performance where growth from international markets has been twice that of the domestic market, the statement said.