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LAST WORD SANJIV MEHTA

“Focus on Value, Not Valuation”

Sanjiv Mehta, CEO & MD of HUL, talks about the ethos of serving the nation by working for consumers, the environment and the planet, while making a difference, profitably

Working for a company like Unilever has been my great privilege for the last 30 years. For the last 20 years, I have led businesses in different parts of the world and for the last eight years, I have been leading what can very clearly be called the jewel in the crown, which is Hindustan Unilever (HUL) and the business in South Asia.

The source of the capital may be Anglo-Dutch but HUL's ethos is Indian and our hearts beat for India. We think India-first. We have a very simple and profound philosophy – what is good for India is good for HUL. This is what drives us to innovate for India.

It pleases me when people talk about market capitalisation but that is not what drives me. We have a multi-stakeholder model, where our focus is on how to meet our consumers' and customers' needs, how to positively impact the planet and the country and how to look after our people.

If we do it the right way, we will create shareholder value. It is a result of what you do. We must focus on value, not valuation because when we focus on values, valuation will follow.

Making a difference

Over the last few years, understanding the growing water concerns in India, we have been working with nearly 25,000 villages and created a water potential, on the demand and supply side, of 1.9 trillion litres. This is enough to serve the drinking water needs of the entire population for a year. One may wonder why HUL would work on something like this. It



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is not core for us but we cannot sit on the sidelines as a large corporation and expect the government to solve the problems. On the contrary, it is our duty to be part of the solution.

During the second wave of Covid last year, we realised there would be oxygen shortage so we launched Project O. We brought two plane-loads of oxygen concentrators and deployed these in 10 cities, free of cost. We were able to save thousands of lives. That goes back to the ethos of the company.

A leader's mantra

The reason why a company like HUL has remained the market leader for over nine decades is that we have reimagined and reinvented ourselves. We began to reimagine ourselves once again six years ago to make HUL the most intelligent consumer goods enterprise, moving away from the linear business model to building ecosystems with data and technology at the centre.

We have a digital counsel in the company that is not based on hierarchy but includes people with ideas and passion for technology. Many of our modern age competition may be digital-first brands but we are the digital incumbents. We are a large company but we have the soul of a small company.

It may sound like a cliché but you cannot whistle a symphony, you need an orchestra to play a symphony. I have had the honour to be a conductor of one of the greatest orchestras of my team at Hindustan Unilever. Every recognition I receive is only reflected glory. **BW**

Excerpts from Sanjiv Mehta's address while accepting the Impact Person of the Year award