

Biography of Ratan Tata For UPSC

An eminent industrialist and philanthropist, Ratan Naval Tata was the Chairman of Tata Sons from 1991 to 2012. He made remarkable contributions to developing the TATA group as one of the prodigious conglomerates in India and collaborated with several organisations in India and abroad.

Under his stewardship, TATA became one of the biggest conglomerates in India. A perceptive businessman, and the recipient of the highest civilian honours in India, his vision and ideals have left an indelible mark on the business landscape of the country.

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Early Life

- Ratan Naval Tata was born on December 28, 1937 as the son of Naval Tata. He was later adopted by the son of Jamsetji Tata, the founder of the Tata group.
- He completed his Bachelor of Architecture from Cornell University College of Architecture. After a short period working with Jones and Emmons in Los Angeles, he returned to India by the end of 1962.
- He started working with the TATA group in 1962 and initially collaborated with TATA steel. Meanwhile, he also completed the Advanced Management Program at Harvard Business School in 1975.
- After associating and gaining experience with the TATA companies, he took the responsibility of Director In Charge of the National Radio & Electronics Company.

Chairmanship of TATA Group

- JRD Tata stepped down as the Chairman of the TATA Group in 1991 and named Ratan Tata as his successor. Amidst facing criticism for his lack of experience in running a giant company like TATA Group, he was appointed the Chairman of the TATA group in 1991. Under his Chairmanship, the company expanded its horizons from an Indian-centric conglomerate to a global player. 65% of the revenues were coming from abroad. Under his supervision, the revenues rose by 40 %, and profits increased by 50%.

- With a pretension of globalising the business, TATA group acquired London-based Tetley Tea for \$431.3 million. It purchased the truck manufacturing unit of South Korea's Daewoo motors in 2004 for \$ 102 million. In 2007, it achieved a milestone and became the first Indian Company to acquire a huge steel manufacturer, an Anglo-Dutch company, Corus Group, for \$11.3 billion.
- Acquisition of Tetley by TATA Tea, Jaguar Land Rover by TATA Motors, and Corus by TATA Steel aided their growth at the international level, spreading over 100 countries. It gave a new impetus to the Indian Industrial sector and global Industrial sector with investments in giant multinational corporations like Jaguar, Tetley & Land Rover. A series of his remarkable achievements in the business field was listed on the New York Stock Exchange.

TATA Nano

- In 2015, he came up with the idea of the TATA Nano Car, with an approximate length of 3 metres and width of 1.5 metres. Through the introduction of NANO cars in the market, he emphasized providing safe and affordable travel to middle and lower-middle-income consumers across the World.
- TATA Nano, designed with a seating capacity of 5 people and starting price of \$ 2000, was indeed referred to as the “ people’s car” due to its pricing and convenience.

Philanthropy

- Ratan Tata established Sir Dorabji Tata Trust, transforming his father's vision into reality. Around 60 -65% of the total profit earned by Ratan Tata was donated for charity purposes. Ratan Tata made notable contributions to the philanthropic field, particularly in;

Education

- Ratan Tata continued the legacy of the founder and visionary of the TATA group, Jamsetji Tata. JN Tata Endowment for Higher Education supports Indian students with scholarships to pursue higher education. He embodied Jamshetji Tata's vision of constructive philanthropy.
- TATA Trusts has been addressing the challenges in the education sector with a profound understanding of the needs of communities and stakeholders. Ensuring a quality education for children, especially those belonging to marginalised communities, has been the central aim. Tata Trusts attempts to provide authentic, high-quality learning experiences through critical thinking, problem-solving, collaborative learning, the use of technology, etc.
- TATA trusts work in the field of education in accordance with the United Nations Sustainable Development Goals:

1. Quality Education (SDG -4)
2. Gender Equality (SDG - 5)
3. Decent Work and Economic Work (SDG -8)
4. Industry, Innovation, and Infrastructure (SDG - 9)
5. Reduced Inequality (SDG - 10)
6. Partnerships to achieve the SDG (SDG -17).

There are premier educational institutions established and supported by the TATA Trusts under Ratan Tata in India and abroad. They are:

- Tata Centre for Technology and Design at Indian Institute of Technology Bombay (IIT-B) Tata Centre for Technology and Design in the Massachusetts Institute of Technology (MIT) and the University of Chicago
- Tata Centre for Genetics and Society at the University of California San Diego, Harvard University South Asia Institute,
- Indian Institute of Science (IISc) - Bengaluru,
- Tata Institute of Social Sciences (TISS) - Mumbai, Tata Memorial Centre - Mumbai,
- Tata Institute of Fundamental Research (TIFR) - Mumbai
- National Institute of Advanced Studies (NIAS) – Bengaluru.
- The Tata Education and Development Trust, as a part of their charitable services, established a \$28 million Tata Fundraising Campaign, in association with Cornell University to lend financial help to Indian undergraduates who cannot afford educational expenses.

Medical field

- Ratan TATA came out with cohesive strategies to improve primary health care in India, and bolstered multi-pronged initiatives for issues related to maternal health, child health, mental health, diagnosis and treatment of cancer, malaria, tuberculosis, etc. He undertook a multi-faceted approach that included direct implementation of projects, institution building, partnerships, and the use of technology and innovation.
- TATA group, under the Chairmanship of Ratan Tata, provided a grant worth 750 million Indian rupees to the Centre of Neuroscience at the Indian Institute of Science. The fund was given to research the mechanisms that cause Alzheimer's disease to come out with methods for early diagnosis and treatment.
- He has worked with governments, non-governmental organisations, and implementation partners to assure proper maternal care, nutrition, water, sanitation, infrastructural support, and poverty alleviation to bring about a change to achieve a sustainable effect on public health.

Rural development and Agricultural development

- An initiative of the TATA group known as the Transforming Rural India Initiative (TRI), worked along with Governments, NGOs, civil society groups, and philanthropists to transform areas of acute poverty.
- He gave generous donations during times of natural calamities like floods, earthquakes, schools, and hospitals.

Sir Ratan Tata Trust

- In 1919, Ratan Tata established the trust post the demise of Ratanji Tata. Trust works according to his will for the well-being of the underprivileged in education, learning, and other branches. They partnered with different organisations to bring about change in a sustainable manner. Trust provides two types of grants. They are:
 1. **Institutional grants** include endowment grants, programme grants, and small grants.
 - **Endowment grants** are provided to organisations with a well-defined mission and strive to bring about positive change in society.
 - **Emergency Grants:** These grants are given during a time of urgency or a crisis. Ratan Tata and TATA Trusts donated 1500 crore rupees to PM CARES Fund during COVID-19.
 - **Programme grants** include Rural livelihoods and communities, Arts and Culture, Civil society and governance, education, and health.
 - In Rural livelihoods and communities, the Trust focuses on land and water development, Microfinance, etc.
 - In Arts and Culture, grants are given to nurture crafts-based livelihood initiatives, support community-based media projects for the upliftment of communities, support the livelihood of performing artists, and give a new life to performing arts.
 - **Small grants:** Small grants are given by TATA Trust to small-scale organisations that seek support for the implementation of innovative ideas for the welfare of the people.
 2. **Individual grants**, which include medical and educational grants.
 - Trust has been focusing on imparting quality education in India through continuous efforts. The three aspects of importance are; school-based education, out-of-school education, and education management. Merit scholarships are provided to students with excellent academic performance, especially undergraduate students in medicine and engineering. Travel grants are

provided to individuals pursuing postgraduate and doctoral courses or to doctors of government hospitals.

- Medical grants are given to patients to meet their expenses for treatment. This includes organising health programs for the rural population, specialised healthcare services, resources for healthcare, and financing poor patients in private hospitals.
- Ratan Tata also heads Sir Dorabji Tata and Allied Trusts along with Ratan Tata trust. He owns a 66% stake in TATA Sons.

Other initiatives

- He has held various roles in organizations in India and abroad. He is a member of the Prime Minister's Trade and Industry Council and the National Manufacturing Competitiveness Council. He serves on the jury of the Pritzker Architecture Prize, which is considered one of the world's leading architecture awards. He serves on the boards of Alcoa Inc, Mondelez International, and the East-West centre.
- He is also a member of the Board of Trustees of the University of Southern California, the Dean's Advisory Board of Harvard Business School, and Cornell University. He is a member of the board of directors of the International Advisory Board of Bocconi University. He is also a member of the Harvard Business School India Advisory Board (IAB) since 2006.
- In 2013 he was appointed to the board of directors of the Carnegie Endowment for International Peace. In February 2015, Ratan assumed an advisory role at The Kalaari Capital, a venture capital firm founded by Vani Kola.

Titles and Honours

- Ratan Tata has been given the honorary title "Chairman of Emeritus of Tata Sons, Tata Motors, Tata Steel, Tata Industries, and Tata chemicals, with effect from December 29, 2012.
- Ratan Tata received the second-highest civilian honour of the country, Padma Vibhushan, in 2008, and the third-highest civilian honour of the country, Padman Bhushan, in 2000.
- He was appointed as the "Knight Grand Cross of the Most Excellent Order" of the British Empire. He received a lifetime achievement from Rockefeller Foundation, an American philanthropic and medical research organisation.
- Ratan Tata is an honorary fellow of the Institution of Mechanical Engineers, Royal Academy of Engineering, and a foreign associate of the National Academy of Engineering.

- He also received honorary doctorates from the London School of Economics, Cambridge University, Ohio State University, IIT Bombay, IIT Madras, IIT Kharagpur, the Government of Singapore, etc.

Retirement

- Ratan Tata resigned from his powers on 28 December 2012, at the age of 75. Cyrus Mistry of the Shapoorji Pallonji Group, the largest individual stakeholder of the TATA group, was appointed the successor of Ratan Tata. Facing opposition from the Board of Directors and legal division, he got removed from the position on 24 October 2016. Thus, Ratan Tata served as an interim chairman.
- The next successor for the TATA group was chosen by a selection committee on 12 January 2017. Thus, Natarajan Chandrasekharan was appointed the chairman of the TATA Group and the successor to Ratan Tata.

Current Engagement

- Currently, Ratan Tata heads Tata Trusts and Tata Sons. He is the second person to head both companies after JRD Tata.

Frequently Asked Questions about Ratan Tata

Who is Ratan Tata?

Ratan Tata is one of the leading industrialists and the former Chairman of one of the largest conglomerates in India, the TATA group. TATA group owns around 100 firms and earns revenue of \$67 million.

How is Ratan Tata related to Jamsetji Tata?

Jamsetji Tata is the grandfather of Ratan Tata and the founder of the TATA group in India.

Which is the most important step by Ratan Tata to transform the TATA group into a global brand?

TATA group made a number of acquisitions, including Tetley Tea, Jaguar Land Rover, Daewoo Motors, and Corus group.

What was Ratan Tata's contribution to Tata Motors?

During the tenure of Ratan Tata as the chairman of the TATA group, TATA Motors got listed on the New York stock exchange. In 1998, he launched TATA Indica, the first hatchback in India with a diesel engine. With an objective to introduce affordable cars in India, TATA Nano was launched in 2008 by Ratan Tata.

What were the major philanthropic activities of Ratan Tata?

Ratan Tata was involved in numerous philanthropic activities. He encouraged, collaborated, and funded a number of activities and initiatives contributing to the quality of life, education, healthcare, and rural development of the population.

Which are the important awards received by Ratan Tata?

Ratan Tata is the recipient of Padma Vibhushan, the second-highest civilian honour, and Padma Bhushan, the third-highest civilian honour in the country. His successor, J R D Tata, was the recipient of Bharat Ratna. Apart from that, Ratan Tata received recognition from India and abroad, for his contribution to humankind and impregnable adherence to ethics and human values.

Which are the trusts established during the tenure of Ratan Tata?

Ratan Tata established Sir Ratan Tata Trust in 1919, which transformed traditional ideas of charity. He also established Sir Dorabji Tata Trust during his tenure.