

## **MIAN MOHAMMAD MANSHA**

*Chairman, Nishat Group & MCB*

### ***Profile***

Mian Mohammad Mansha is one of the most prominent businessmen in Pakistan and Chairman of Nishat Group, who holds diverse and major business interests in textiles, banking, insurance, cement, power, and aviation. Government conferred him with most prestigious award "Sitara-e-Imtiaz" in 2004. He is also first Pakistani on the Forbes list of billionaires.

### **CEO Club: What are the various types of business with which the Nishat Group is associated?**

**Mian M. Mansha:** Nishat is engaged in a wide variety of businesses. For instance, we have a very internationally competitive textile business and we export our goods to more than forty countries of the world. With about one and a half dozen textile plants, we became the country's most profitable textile company last year. Although there are also other cement producers in the country, we are the most efficient and technologically most advanced cement manufacturers producing sixty million tons of cement. We are the first ones to use much cheaper bio fuels in our plants to replace highly expensive conventional means of energy. MCB Bank, which is one of our major projects, has also been twice declared Asia's Best Bank. With only two percent of our people insured, we realized the huge growth potential of insurance business in the country and thus, took over Adamji Insurance Company and are now focusing our attention on excelling in life insurance and marine insurance businesses. Takaful Insurance is another key area of our interest, though much work still needs to be done for making headway in this sector. Furthermore, we produce ten per cent of the country's electricity.

### **Who do you think can run banks better; professional management or entrepreneurs?**

I think this has been proven beyond doubt that all the big banks are managed better by large shareholders, everywhere in the world. The reason is that shareholders take a long-term view. Therefore, I would suggest having a good mix of professional bankers and long-term shareholders. The prime example is the Santander Bank of Spain, the fourth largest bank in the world by profits and the largest lender in Europe. It has successfully managed to stay out of the cyclical financial problems. It is run by a family with some very smart professionals. In 2008 the bank was declared the best bank in the world by Euromoney.

### **What are the major challenges confronted by the commercial and industrial sectors of our country?**

The main challenge is the outcome of our poor economic performance. While all other countries of our region are growing at a rate of more than six per cent, our growth rate is less than three per cent, which is exactly the growth rate of our population, which means that in reality, we are not growing at all. Even countries like Bangladesh are now looking down upon us as a country that should not be taken seriously. But I believe that in view of our huge amount of resources, which are still unused or misused, this is a wrong assessment of our future. Then, there is the volatile law and order situation, which sharply reduces the number of our export orders and prevents many of our foreign customers from coming to our country for direct interaction with us.

The crippling power crisis has also come as a shattering blow for our businesses and industries. Many business empires die a sudden death only due to the absence of a proper succession plan.

**While marching on the road to progress, has Nishat Group ever contemplated on this issue?**

We are fully cognizant of the significance of this issue and have, therefore, drawn up a proper succession plan for the coming decades, in order to carry forward our agenda and vision. We have over forty thousand employees and feel no shortage of talented, competent and professional people. With the sufficient availability of such a highly developed and dependable human capital, we feel our future to be bright and secure. My own three sons, who are qualified from American universities, are members of the company's board and can effectively take my place in the coming years.

**While you are perfectly satisfied about the future of your company, what are your hopes regarding the country's overall economic progress in future?**

We are a large country with abundance of human and material resources, which can be utilized properly, if we are able to elect the right type of leadership in the coming elections. In addition to this, we are fortunate to be located in a region which is going to be the epicenter of world's economic activities in the near future. A country with such strategic, geographical and material advantages surely has a bright future.

**Do you have some viable recipe for overcoming the growing problem of widespread unemployment which has been further aggravated by current energy crisis?**

The recent energy crisis which has virtually brought the whole industrial sector to a standstill, has forced the industrialists to lay off hundreds of thousands of their workers. But unfortunately the strategies, being adopted for meeting our growing energy demands and for reviving the country's industrial activities, are not wise. . We believe that only hydroelectricity can meet our electricity demands. The water storage capacity of our old reservoirs is decreasing and if we are unable to build new reservoirs, the best solution for our industries is to minimize their reliance on imported and conventional resources of energy and start using our own cheaper and locally available resources. We have got huge deposits of coal and gas which are still lying intact, unexplored and unused. Realising the importance of non-conventional fuels, our newly-built plants will now be running on rice husks, cotton sticks and bio-fuels. In addition to this, the government must end the price distortion of petroleum, diesel and gas.

**Despite big challenges, why are you optimistic regarding Pakistan's economy?**

I'm still very optimistic about Pakistan. The reason behind my optimism is that now there's some balance in society. I have never felt as free as I do now. The credit goes to independent media and judiciary. As far as delivery is concerned, politicians are still behind the curve.

**How would you like to define happiness and success?**

One of the major causes of unhappiness and depression is laziness and idleness. Those who work hard from dawn to dusk with a positive mind enjoy a peaceful sleep at night and lead a happy life. A successful person, in my opinion, is he who makes some positive contribution to the development of society and community. A person may be a teacher, doctor, servant or anything else, but if he does something good for the society, he is a successful person.

**Are you in favour of women working side by side with men in offices and businesses?**

I always encourage women to come out of their homes and go to work. I am proud of my wife who runs many of our shops inside and outside the country. One of my daughters-in-law runs a couple of hotels, while another one is in charge of a dairy farm. We try to facilitate the working women in every possible manner.

**Any message to Pakistan's young entrepreneurs?**

Have faith in Pakistan. The sky is the limit; one should not worry about anything. Keep on investing in Pakistan no matter what, you will eventually reap the fruits.