

Excerpt from Prof. K V Ramanathan's memoirs, donated to IIMA Archives:

RAMANATHAN, K. V. 2009. FROM THE SOUTHWEST COAST OF INDIA TO THE NORTHWEST COAST OF THE UNITED STATES: A TRIP DOWN MEMORY LANES, Part II, pp. 22-23.

An interesting phenomenon in Ahmedabad City was that the various public amenities were designed for either the working class population who lived predominantly on the east side of river *Sabarmati* or for the entrepreneurial population who lived predominantly on the west side of the river. This presented a problem to the IIMA faculty in that there was no place where they and their families could meet informally. Most of them were non-Gujaratis, and most had done their higher studies abroad. They found the popularly available restaurants to be below minimum standards. At the same time, they found the private clubs that catered to entrepreneurial community to be beyond their financial means. At some point, after some extended discussions, Sankaran Namboodiri and I, along with two other faculty members and two research associates of IIMA decided that a modern restaurant serving South Indian vegetarian food would provide an informal place for IIMA families to gather. We formed a partnership that included an affluent local resident, a South Indian with some business experience, to be the seventh partner. In spring 1965 we leased a facility in an upscale office area close to river Sabarmati, developed it as a modern restaurant and named it "Ajanta." I located a cook in Bombay who, in the 1930s and 1940s was a neighbor in Trichur as I was growing up. To our pleasant surprise, "Ajanta" turned out to be an instant success. There was good traffic during the lunch hours. The peak business was during the late evening, between 7pm and 9pm, when cars filled with family members dropped in for dinner or after-dinner snacks. The partners found it to be quite a challenging as well as educational experience.

As things were settling down, I received a call from Dr. Sarabhai to spend an evening with him at his house to talk about "Ajanta." My partners and I were concerned that he may not approve of our being involved in non-IIMA ventures. I had already come to regard Dr. Sarabhai as my hero and mentor. Naturally, I was overcome with anxiety as I prepared for our meeting over dinner. When I arrived at their beautiful mansion on the *Sabarmati* bank, he and his wife, Mrinalini, the famous classical dancer, were extremely courteous. Dr. Sarabhai patiently listened to my account of the vision and reason behind the restaurant venture even as he asked

several pointed questions. To my great relief, he was very supportive of our venture. His only directive was that we should ensure that Ajanta remained successful because its performance would indirectly reflect on public's perception of IIMA faculty. I was so moved not only by the message that he delivered, but also by the manner in which he did it.

By July 1965, we had successfully moved beyond the start-up phase. The net cash flow was better than expected and we were exploring growth opportunities. Unfortunately, something entirely beyond our control happened in August. The second Indo-Pakistani conflict began on August 5, 1965. The government declared a blackout in the evenings in towns close to the Indo-Pak border including Ahmedabad. The blackout practically eliminated our evening business which accounted for over 80% of our revenues. After days and weeks of negative cash flows, we were forced to invest more funds to keep the operations going. Soon we were at the end of our financial reserves. There was no way of predicting when the war would be over. We prayed and hoped for an end to the war. In fact, there was no group in the whole world more devoted to peace between India and Pakistan than the partners of Ajanta! Finally, the continued uncertainty of the situation combined with the unbearable financial stress forced us to close Ajanta in late August. As it turned out, the war ended on September 22, 1965, but too late to save Ajanta.