

Ramalinga Raju: From Andhra's pride to disgrace

Satyam was the brand image of Andhra Pradesh, [Hyderabad](#) was identified with this company, and its founder-chairman B. Ramalinga Raju was a hero to youngsters. But overnight, arguably the biggest fraud in India's corporate history has reduced the chairman and his company to a big zero.

The man who spent three decades in IT services and built Satyam into India's fourth largest IT services firm, was described as a visionary, a global business leader and a thinker. Now, the angry shareholders want him to be put behind bars.

Ramalinga Raju resigned as the company chairman Wednesday after confessing to a Rs.40 billion (\$823 million) fraud that was going on for years.

Even when crisis hit Satyam following the management's aborted bid to acquire Maytas Infra and Maytas Properties, the two infrastructure companies owned by the promoters' family, Ramalinga Raju's wellwishers launched a website to repose faith in his leadership.

Having made a humble beginning to rise to the dizzy heights of success and become one of the richest Indians, Ramalinga Raju was described as the pride of Andhra Pradesh and the pride of Telugus.

He was born to a farmer B. Satyanarayana Raju in Garagaparru village in West Godavari district of coastal Andhra Pradesh Sep 16, 1954. Satyanarayana Raju moved to Hyderabad in the 1960s.

Ramalinga Raju did his B.Com from Andhra Loyola College in Vijayawada and went to the US in 1975 for MBA degree from Ohio University. He is also an alumnus of Harvard Business School.

He first ventured into construction and textiles business before moving over to IT.

He founded Satyam in 1987 and was so influenced by his father that he named the company after him. It was a humble beginning for Satyam with only 20 employees. Satyam Computer Services Ltd was incorporated in 1989 and it went public in 1992.

Satyam later became one of the earliest companies to get a dedicated data link for offshore development.

Through his managerial skills and quality leadership, Ramalinga Raju built Satyam into a multinational company and bagged several key contracts, especially from the US.

Satyam began trading on New York Stock Exchange in 2001. With each passing year, Satyam strengthened its position and extended its operations to various locations.

Ramalinga Raju's foray into corporate data and internet services too was path breaking. He founded Satyam Infoway or Sify and listed it on Nasdaq with great success. The business process outsourcing (BPO) wing of Satyam also made a remarkable beginning.

The company, whose revenues crossed \$2 billion in 2007-08, became the first Indian company to list its American Depository Shares (ADS) on Euronext, which is one single cross-border trading

platform of NYSE Euronext Group.

A soft-spoken Ramalinga Raju received several awards during his career, including Ernst and amp; Young entrepreneur of the years 1999 and 2007, Andhra Pradesh Academy of Sciences medal 1999, Dataquest IT man of the year 2000, CNBC Asian Business leader - corporate citizen of the year award 2002, Hyderabad Management Association life time achievement award 2006, and honorary doctorate by Jawaharlal Nehru Technological University 2006.

He was elected to several organisations, including the National Association of Software and Services Companies (Nasscom), the apex forum of the Indian IT industry.

Ramalinga Raju, married to Nandini, has two sons and a daughter. His sons Teja B. Raju and Rama B. Raju are running Maytas Infrastructure and Maytas Properties.

The man who was once described as pride of Telugus, is today the target of their wrath.

'Ramalinga Raju was a hero till the last quarter of 2008 but today he is a zero. I was one of his biggest fans but today I am very upset,' said Harish Chandra Prasad, vice-chairman of the Confederation of Indian Industry, Andhra Pradesh.

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