



“Your True Wealth is Actually Your People.”

## **Muljibhai Prabhudas Madhvani, MBE**

(18th May 1894 – 11th July 1958)

**A tribute to celebrate the life and achievements of  
the Founder of the Madhvani Group**

*Five decades after his death, his legacy and philanthropy in Uganda still live on.*

### **The Beginning**



*“Man has the ability to be the architect of his own fortune.”*

Muljibhai P Madhvani was born on 18th May 1894 in Aunsiapat, Saurashtra, India. He died on 11th July 1958 in Kakira, Uganda – the place that he loved so much and where he had spent most of his life.

Muljibhai's mother died when he was young and one can only imagine how this must have affected him. He was to overcome his sadness and concentrate on his education. A bright student, he completed his primary school up

to Standard VII by the early age of 12 years. He was then keen to learn English so he obtained admission to the Lohana Boarding House in Porbander, Gujarat. He began to study in English, passing Class 1 in the first rank. His ability to speak, read and write in English fluently was to be one of his greatest assets later in life. Then, as was the common practice in those early days, he abandoned further study for the world of commerce.



In 1908, two years after his brother Nanjibhai had travelled to Africa, Muljibhai came to Uganda. He was 14 years old - full of courage and determination, with a keen sense of business ethics that was far ahead of his time. He joined his uncles, Vithaldas and Kalidas Haridas in their shop in Iganga and started from these simple beginnings to learn more and more about commerce and industry.

By 1911 Muljibhai, now a 17 year old teenager, was entrusted by Vithaldas Haridas with the running of a shop in Kaliro, which is near Iganga. He had to travel by bicycle, and later by motorcycle, on very difficult roads often passing through densely thick jungle areas. This must have been hazardous and it would have taken courage to do this on his own at such a young tender age. His determination impressed his elders - because by 1914 he was asked to open and manage a shop in Jinja. An entrepreneur was thus born, whose story will be an inspiring milestone for young generations for years to come. While still an employee of Vithaldas Haridas, Muljibhai started to build up

Vithaldas Haridas & Company, where later he became the Managing Director.

In 1918, the company bought around 800 acres of land in Kakira. This was the start of the Kakira sugar complex, which eventually became his flagship creation. It would be another nine years before the sugar factory started operating at Kakira in 1930. The opening ceremony for that mill was conducted by the then Governor, who mentioned in his speech that he was "doubtful" if Kakira could sell sugar in Uganda! The sugar works started with a cane crushing capacity of 150 tons per day. The Colonial government availed only 6,000 acres, and most of the land for the expansion of Kakira was procured by the company from European and Asian farmers and exchanged with some of the land in Busoga. The original sugar mill of 1930 is preserved to this day within the factory compound at Kakira.

Even at this early stage of his career, Muljibhai's vision was that of continuing growth with wider horizons. In 1928, Vithaldas Haridas & Company entered the cotton ginning industry. This was only the first of many diversifications.

### The Individual

*"All obstacles disappear when faced with a determined mind."*

On a sunny day in Kakira in the 1940s, on a hill overlooking the shores of Lake Victoria, Muljibhai Prabhudas Madhvani and his sons were having a heated argument. The senior Madhvani loved trees, and although many had already been planted on his sprawling estate, he wanted to plant yet another mile of them - running through the marshes to the southern edges of his estate. The younger Madhvanis argued that while previously they had planted trees along estate roads, there wasn't even a footpath in the marshes to justify this grandiose project.

But to all their opposition, Muljibhai had one answer: "Men are not stupid; one day there is going to be a road here".

Time would eventually bear him out. True to his vision, the section of the Jinja - Iganga highway that runs through the Kakira Sugar Works estate today follows the line of trees that he planted more than fifty years ago.

Following his humble business beginnings, there was no looking back and Muljibhai went on establishing industry after industry, laying the foundation for Uganda's economic development. Despite having wealth and manpower at his disposal, he was a hard worker believing in self-help. He used to keep spanners and other tools in his office table drawer, and if a machine would stop working because of some defects, he repaired it himself - without caring if his hands became dirty.

As his businesses prospered and grew, Muljibhai was keen to care for the well-being and welfare of his employees and the community at large.



Kakira 1940



Kakira 1952



Kakira 1960

### The Philanthropist

*"Man must always have complete faith in religion and his community."*

Muljibhai made good use of the wealth he earned by his entrepreneurship and strenuous work through many donations for the welfare of the country, community and society at large. He was always anxious to see the community in which he lived progress in education and he always gave encouragement to efforts towards that aim. Not a single body or any individual who had approached him for monetary assistance for a public cause was disappointed in his mission. He had a heart of gold, and lived for and cared for others from all walks of life, especially for his employees.

He firmly believed in the importance of education and culture. Towards that end he created an Education Trust under the auspices of the first British East Africa Lohana Conference which was held in Mombasa, Kenya, under his Presidency in 1947. A number of deserving students received substantial amounts in scholarships from income derived from the Trust Fund. Many professionals such as lawyers, doctors, chartered accountants and engineers were educated in this way.

Muljibhai's hopes for Uganda's future are best seen in the energy and money he devoted to the education and welfare of his employees and their families. It was his fundamental belief that education is at the root of personal fulfillment and national development. His personal conviction was that agriculture and commerce are the backbone of society. He also strongly believed in a largely agricultural economy in which, after secondary education, young people should be trained in agriculture and be convinced to go back to their rural areas to work on their land. To implement this vision, he established an agricultural school at Wairaka near the Kakira complex.

Many of the institutions that he established were then entrusted to the general public. Muljibhai used his personal wealth for public causes. Educational institutions such as primary, secondary and nursery schools, medical wards, boarding houses, club and library rooms were established or expanded with his donations. Some of these in Uganda included :

### His Achievements:

*"Man is the master of his individual circumstances."*

In the period between World War I and II, enterprising Indians laid the foundations of the 20th century industrial empires starting with the agricultural processing of sugar, tea, coffee and cotton ginning and expanding into basic manufacturing.

Muljibhai Madhvani was at the forefront of Uganda's industrial development. The British administration of the day realised his ability, talent and vision for the industrialization of Uganda and soon requested for his assistance to play a major part in the development of the nation. He rendered praiseworthy services as the President of the Uganda Cotton Association, Uganda Planters Association, Uganda Chamber of Commerce and several other public bodies. In 1939-40, the Colonial Government of Uganda selected him to work as a member on the Uganda Finance Committee. Taking into consideration the many services he had rendered in different fields, the British Government represented by Sir John Hall awarded him the MBE (Member of the British Empire) in 1938. This is awarded mainly to civilians and service personnel for exceptional public service or other unique distinctions. Muljibhai richly deserved this recognition on many counts.

During the period 1956-1970, Kakira was known as Madhvani Nagar. The word "Nagar" means town in Gujarati, Muljibhai's mother-tongue. The industrial complex at this rural location came into fruition in the decade before Muljibhai's death.

#### Kampala

- The Vithaldas Haridas Hostel for Students
- The Muljibhai Madhvani Commercial College (which was the first commercial college in Uganda, and was eventually shifted to Kyambogo).
- The Muljibhai Madhvani Cricket Stadium
- The Gangaben Muljibhai Madhvani Pavilion Hall, Hindu Cemetery
- The Gangaben Muljibhai Madhvani Memorial Ward, Nsambia Hospital

#### Jinja

- The Vithaldas Haridas Pavilion
- The Vithaldas Haridas Coronation Park
- The Muljibhai Madhvani Town Hall and Clock Tower (which is still used as Jinja's town hall)
- The Wairaka Agricultural College both of which were built by Muljibhai and then handed over to the Government to run.
- The Muljibhai Madhvani Farm School
- The Parvatiben Muljibhai Madhvani Girls' Hostel Busoga
- The Parvatiben Muljibhai Madhvani Girls School (popularly known as "PMM Girls School")
- The Muljibhai Madhvani & Co Ltd Trust for the Hindu Temple in Jinja

He established many educational institutions throughout Uganda's towns with a view to sharing his good fortune with the country that had been so kind to him. His workers and their dependents have long enjoyed free education, housing and healthcare many decades before the term "corporate social responsibility" was even devised. Today his everlasting memory is appreciated by the many disadvantaged Ugandan students who are beneficiaries of scholarships each year to study at universities with funding from the Muljibhai Madhvani Foundation.



It included the following :

- sugar factory,
- jaggery mill,
- sweet factory,
- cotton ginnery,
- oil mill,
- soap factory,
- maize mill
- tin-container factory, and more.

The numbers alone are quite staggering.

- 20,000 acres of land under sugar cane, with one third under sprinkler irrigation.
- 60,000 tons of sugar produced annually.
- 12,000 employees.
- 100 miles of the internal railway system with steam operated locomotives.
- Schools with free education.
- Hospital
- Sports facilities.

Due to his extraordinary vision, personality and ability Muljibhai Madhvani was able to take a humble trading concern and create a business empire that would eventually account for 10% of Uganda's GDP.

## His Legacy



*“A broad outlook is the first step to progress.”*

The Madhvani Group has now grown to become one of the largest diversified private-sector groups in East Africa, employing over 10,000 people. The Group's current turnover in Uganda exceeds USD 100 million. The Group's assets in Uganda are valued in excess of USD 200 million, with several units undergoing major expansion. That this success continues today has only been possible because of Muljibhai Madhvani's untiring devotion to duty and by his unique vision and imagination all through his life.

The Group is the largest private-sector investor in industry in Uganda.

The flagship of the Group is Kakira Sugar Works, which currently operates at a crushing capacity of over 5,000 tons cane per day (TCD) during a 10.5 month crushing season. Sugarcane is cultivated on the company's own estate of over 9,700 ha supplemented by cane from over 5,000 outgrower farmers grown on 17,000 ha. A confectionery factory produces a variety of sweets, lollipops, etc. In the 2007-8 season, Kakira has crushed 1.12 million tons of cane to produce over 100,000 tons of sugar, maintaining its position of Uganda's largest sugar producer.

This Company alone employs over 7,500 people and has been instrumental for the socio-economic development of the rural area surrounding Kakira providing the means of livelihood to over 75,000 people in the South Busoga region.

The Group is now completing an extensive phased expansion to enhance Kakira's crushing capacity to over 6,000 TCD and to produce more than 150,000 tons of sugar each year. The project included expanding the co-generation plant to produce a total of 22 MW of electric power of which 12 MW is for sale to the national grid.

The Group owns and operates the only sugar complex in Rwanda – Kabuye Sugar Works.

In Uganda, the Group owns two tea estates (over 500 ha) with a tea factory, and exports over 1,000,000 kgs of tea each year.

The Group ventured into floriculture with Kajjansi Roses – which has 9 ha under steel greenhouses, exporting over 19 million rose stems per year. This unit has now established a joint-venture with Flower Direct of the Netherlands - Chrysanthemums Uganda – which will grow 12 million stems for export to Europe.

In the packaging sector, the Group has joint ventures in Uganda to produce crown-corks (Coleus Crowns) and cardboard cartons (East African Packaging Solutions). Coleus Packaging Pty. is a subsidiary of South African Breweries and the largest crown producer in South Africa.

The Madhvani Group also produces various consumer products – including confectioneries, soap and matches. Makepasi Match in Jinja is the largest producer of wax-safety matches in East Africa.

Another focus area for the Group is tourism with activities centered in the main National Parks of Uganda. The Madhvani Group operates the two leading safari lodges in the country - Mweya Safari Lodge in Queen Elizabeth National Park and Paraa Safari Lodge in Murchison Falls National Park. The Group is now rehabilitating a third lodge, Chobe Safari Lodge, also in Murchison Falls Park, to create another stunning destination on the Nile River for tourists to visit. The Group is planning a beach resort in Zanzibar and is looking for opportunities for tourism investments in Kenya, Tanzania, Rwanda and India.

In the services sector, the Group has interests in :

- **Insurance** - through *East African Underwriters*, which covers all commercial risks and medical needs, as well as *Liberty Life Assurance Uganda*, which is a joint-venture with Liberty Life of South Africa (which is owned by the Standard Bank Group).

- **Software** - *Software Applications Uganda* is the channel partner for Systems Union, Sun Systems and Inspiro-People and provides business solutions for accounting, payroll, human resources, etc.

- **Construction** - *Excel Construction* undertakes all types of commercial and industrial building projects as well as roads in Uganda and is now establishing activities in Southern Sudan.

In keeping with its diversification strategy, the Madhvani Group is now exam-



ining options for joint-ventures in the high-growth high-tech sectors of telecommunications and related services.

Forthcoming Madhvani Group projects include:

- a new sugar complex in North Uganda and
- **bio-fuels** - ethanol from molasses, **bio-fuel** from bagasse pyrolysis, **bio-diesel** from jatropha, etc.

Notwithstanding this wide diversification, the Group remains true to the philanthropic ethos of its founder. The long list of charitable projects undertaken by the Group include :

The Muljibhai Madhvani Foundation is a charitable trust that was set up in 1962 on the eve of Uganda's Independence to honour the vision of the late Muljibhai Prabhudas Madhvani.



One of the Foundation's primary objectives is to maintain and promote scientific and technical education among the people of Uganda. The scholarship programme is aimed at benefiting Ugandans pursuing either undergraduate or graduate studies at University level in Uganda and has been in operation since the 2003/04 academic year (after the repossession of the assets by the Foundation) , awarding over Uganda Shillings 450 million to a selected batch of graduates for each year until graduation.

In keeping with Muljibhai Prabhudas Madhvani's foresight the Foundation supports graduates with vision; individuals who are able to perceive the path to Uganda's future and who not only want to travel the road but also actively participate in its development.

The Mukesh Madhvani Children's Hospital (popularly known by its location as Nalufenya) was originally constructed in 1970 by the Group. Whilst it continues to be run by the Jinja District Administration since 1972, it was completely renovated by the Group in 2004 to provide much needed paediatric facilities in Jinja for the Busoga region.

## His Eternal Values



*“Simplicity and humanitarianism are the cornerstones of success.”*

**Muljibhai Prabhudas Madhvani's fundamental principle of a socially-responsible business enterprise that benefits all stakeholders and his core values of integrity and long-term commitment are ingrained in every aspect of the Madhvani Group's activities. Half a century after his death, his vision and humanity still continue to have a positive effect in Uganda to this very day.**