

Business Standard

Lunch with BS: Rahul Khullar

Trading places

A K Bhattacharya / New Delhi January 31, 2012, 0:19 IST



The forthright civil servant talks about his journey to being the only constant in the commerce ministry.

Commerce Secretary Rahul Khullar agrees to meet me for the long-awaited *Lunch with BS* on the nation's 63rd Republic Day, a national holiday when most bureaucrats would prefer to spend their time with friends and family. He does not name a restaurant of his choice either. I had asked him if he would like Chinese food and he had said with his trademark smile and a wave of his left hand that anything was fine. Eventually, we meet at Jade, the Chinese restaurant at The Claridges, and he is there at 1 p m sharp. That pretty much says a lot about Rahul Khullar, the no-nonsense, dyed-in-the-wool civil servant from the 1975 batch of the Indian Administrative Service (IAS), writes A K Bhattacharya.

I am curious to know why he chose a national holiday for our lunch. "Simple, this will let me have a relaxed meeting," Khullar says. I prod him further to find out if an engagement on January 26 is an intrusion into his personal life. Khullar now opens up, "You see, my family consists of me, my wife and our two daughters, both of whom are away at present. And, of course, we have Mowgli." Khullar's wife is an IAS batch mate. The joke among civil servants in the early 1990s used to be that the country's finance minister and the commerce minister are looked after by a single family — Khullar was the personal secretary to Manmohan Singh, finance minister at that time, and his wife worked under P Chidambaram, who was then the commerce minister.

Wife, daughters, yes, but who was Mowgli? Sensing my bewilderment, Khullar explains, "Mowgli is our dog, a Labrador. Our earlier dog, another Labrador, was called Typhoon because we got him the day Manila, where I used to work then, was hit by a typhoon."

Clearly, our conversation is warming up, but the waiter interrupts to take our orders. Khullar picks up the menu, hands it to me and says, "You decide, I am not good at it." That turns out to be a difficult task. Khullar says no to drinks, not even a glass of *nimbu-paani*. He accepts my suggestion that he should try the chicken soup with tofu, but declines starters. For the main course, we settle for Beijing-style pomfret in sauce and steamed rice.

We have some crispy prawn-flavoured chips before us, to which Khullar takes a liking. As the soup arrives, I ask him whether leaving the finance ministry after a couple of years of working as Singh's personal secretary in the early 1990s was a good decision. On his return from a short posting in Arunachal Pradesh in 1991, Khullar had no job immediately allotted to him, though he had already built a decent reputation as a fine officer, having earned a doctorate in Economics from Boston University during a sabbatical early in his career and honed his skills during a five-year stint at the Prime Minister's Office (PMO) between 1985 and 1990, when his colleagues included such foreign bureaucrats as Gopi Arora, Montek Singh Ahluwalia, Ronen Sen and Pulok Chaterji. So one fine morning, he was asked to see Singh, who had taken charge as finance minister and was looking for an able secretary. At the end of

that meeting, Singh had asked him to take charge as his personal secretary. "But where are the orders?" he had mumbled. They would come in due course, but meanwhile he could start his work, he was assured. Such was the urgency during those days when the country was in crisis.

So, why quit such an assignment? Khullar turns a little pensive and then opens up, "There were personal reasons. I had to send my daughters for education abroad and the only way I could get enough money was if I worked for an international organisation. So a job with the Asian Development Bank met my needs." Khullar was told that he was turning away from a responsibility to the nation, but it was clear to him that personal commitments were more important. Not that he lost out because of that decision. On his return from Manila, he was chosen by the Delhi government to take charge of its sales tax directorate and oversee the transition to the value-added taxation system. By the time the new system stabilised, he was picked up in early 2004 to be joint secretary in the commerce ministry. Within months, the government changed after the elections and Singh became the prime minister. But the surprise was that Khullar was not in Singh's top team in the PMO.

Khullar has finished his soup and helps himself to the steamed rice and pomfret. I ask him if not being in the PMO in 2004 upset him. A small pause and then Khullar says, "I was doing a fairly important job in the commerce ministry." Indeed, Khullar has had a virtually uninterrupted tenure in the commerce ministry in different roles since then, barring a short stint as secretary in the department of disinvestment, which took him away from Udyog Bhavan. "You see, I have been in Commerce for the last seven years and I am perhaps the only factor that provides continuity in this ministry," Khullar says with unconcealed pride. So what was his biggest achievement in these years? "Well, I think I managed to restore some balance in the Doha negotiations, by dispelling the notion that India was a spoiler when the talks broke down in 2008. Since then, we have made some progress, but nothing is likely until 2013," he says. But wasn't Doha a missed opportunity? "You have to look at it differently. While we made no progress on Doha, please remember that we moved ahead on several bilateral trade treaties with the conclusion of as many as four free trade agreements — with Japan, Korea, Malaysia and Asean," Khullar is clearly on the offensive. He has finished the rice and fish and I ask him if he would like another helping. He says no, but changes his mind and takes a spoon of rice and one piece of pomfret.

I sense that now is the time to slip in all the difficult questions. Why is the ministry so possessive about its trade data? Khullar denies the charge vehemently. He says in the last few years more and more data are being made public and this process will continue. "Today, accessing data from the ministry is easier and we are making more effort to share more data as and when they are available," Khullar says. What went wrong with the exports data for the current year? Khullar's response is that there is no harm in admitting that something is wrong. "That way, the credibility of the data goes up and not down," he says with an emphatic smile.

The food is over. I am keen for dessert, but Khullar turns down both dessert or beverage. I realise that I am not through and ask for coffee, which allows me to shoot a few more questions. Why was he not picked as the finance secretary last year, when everybody thought he was the clear choice for that job? Khullar clams up and offers no answer. I ask him that there are reports that he would be going to Brussels as India's Ambassador, and he is more forthright. "Yes, I have been tipped for the job, but a final decision has not been taken." I sense there is more behind his bland reply. I ask him if his job as India's Ambassador will require him to focus on a specific region, while as commerce secretary, he was looking at larger issues with greater significance. My coffee is finished and I have not got a reply.

As we approach the foyer and I spot his white Ambassador waiting to take him back to his Chanakyapuri residence, I ask my final question: Why is it that he is seen as one of India's best trade negotiators, but his reputation among his colleagues is also that of a bureaucrat who is a bit difficult to deal with. Khullar chooses to ignore my question and waves at me before slouching into his car. I

am left wondering if Khullar will accept the Brussels assignment, or whether this time, too, other commitments would prompt him to stay in New Delhi instead.