FAMILY BIZ: THIRD GEN AND BEYOND

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Shardul Sheth, CEO, AgroStar

HUNT FOR GREEN DATA

Why, more than loan waivers and budgetary doles, agri-tech can rescue the Indian farmer

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₹19K cr

The amount the government plans to spend in FY20 on rural roads scheme

MISSING THE MARK

What Happened to Disinvestment?

PSU mergers and buybacks make way for strategic sales

THE GOVERNMENT IS FAR FROM achieving its ₹80,000 crore disinvestment target for the current financial year. The only time the NDA government met it was in 2017-18 when it raised ₹1 lakh crore against the budgeted expectation of ₹72,500 crore. This was achieved by listing insurance companies, mergers of public sector companies, CPSE exchange traded funds (ETFs) and numerous buybacks.

Previous governments overshot targets just four time since 1991. In at least four instances, the UPA shied away from fixing a target.

In the current year, the government raised only ₹35,532.66 crore mainly through Bharat 22- ETF and CPSE-ETF buy and a few buybacks.

"Disinvestment in India is not happening in the form of privatisation of companies, but as a transfer of resources to the government to raise capital in various ways. Most of the money has been raised by buybacks or merger of PSUs, or a sale to LIC," says Madan Sabnavis, chief economist at Care Ratings Ltd. He adds that the government has no earnestness to give up control in most PSUs and hence it is resorting to transferring shares. "Also, it has been unable to raise capital through strategic sales because most entities are loss-making units."

In the last three years, the government has heavily depended on buybacks to meet fiscal deficit targets. It has found it difficult to raise capital through the strategic sale of assets.

A higher receipt from the disinvestment department is crucial as GST revenue collections have been below expectations. According to PIB, gross GST for April to date stands at ₹8.71 lakh crore against the full year budgeted target of ₹12.9 lakh crore.

—POOJA SARKAR

Target Trouble For NDA

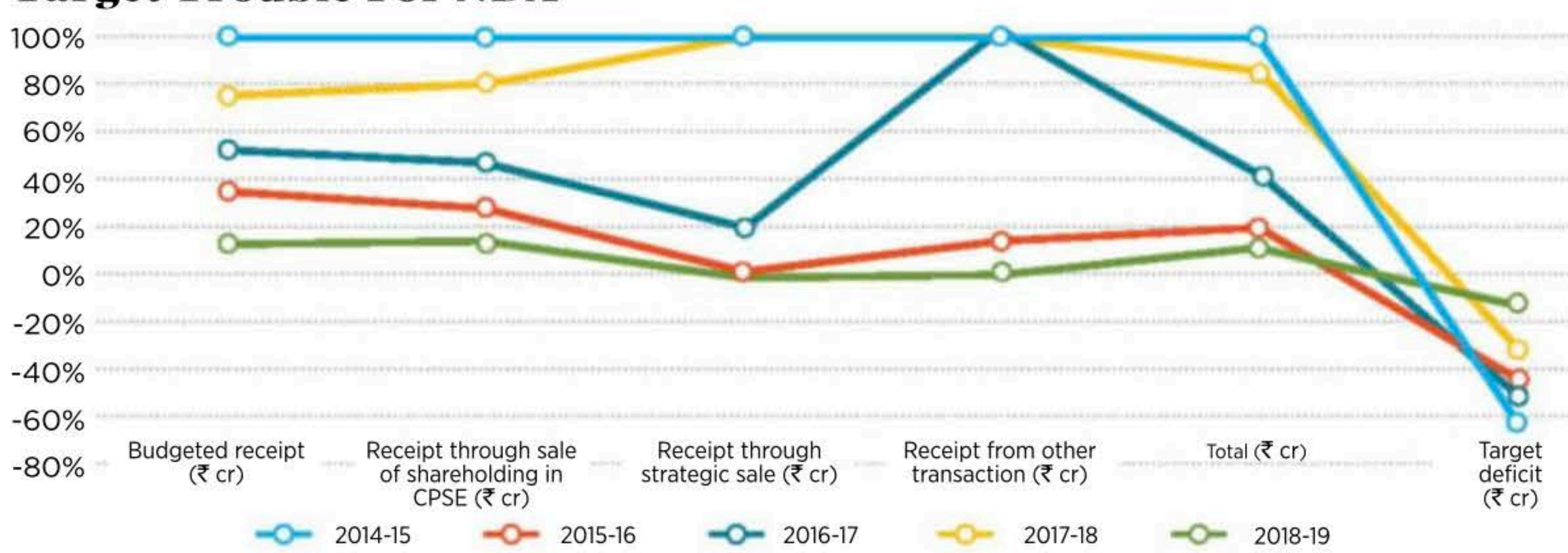

TABLE MANNERS

Thomas Goode Bets on India

British luxury brand opens new outlet in Mumbai, its first in nearly 200 years

THOMAS GOODE & CO, ONE OF London's oldest luxury retailers, has opened a mini-museum and boutique at The Oberoi, Mumbai—its first new outpost in its nearly-200-year history. Founded in 1827, the brand has operated out of the same Mayfair store in London since its inception, selling fine quality china, glassware and silverware.

In 2015, property investor and businessman Johnny Sandelson took over as the brand's chairman, in a bid to 'wake it up'. "It was there, but it seemed undusted, forgotten," he says. "It was like an undiscovered jewel—everyone had heard of the name, and I wanted to make it contemporary, relevant, while keeping its historic legacy and quality intact."

Mumbai is the first chapter of a global expansion strategy, he says. The brand has entered India in partnership with Malvika Poddar of luxury fashion boutique Carma.

"As a British businessman, whenever you ask where the most powerful emerging market is in the world, the answer is India," he says. "Thomas Goode is about hospitality and gifting, and we're particularly excited about the Indian wedding market. If Mumbai does well, we will look at Delhi and Hyderabad, and other parts of Asia and the Middle East. The question is, really, why didn't we come here sooner?"

The Mumbai store will retail the brand's own collections along with sets from pedigree labels, including Sevres, Herend, Baccarat and Hermes. An ecommerce store is expected to launch at the end of the year to help service Tier-2 and Tier-3 markets. They offer heavy customisation and hand-painted designs, where you can order a bespoke single plate too.

The museum, also in The Oberoi, showcases Thomas Goode designs from across generations, tailored collections for Indian and British royalty, along with the stories behind them.

—PANKTI MEHTA KADAKIA

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