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Bhat: strategic plan

Retail penetration

Titan, a Tata group company headed by Bhaskar Bhat, is one of the players enjoying the revival in urban consumption and is gearing to tap the market with a host of offerings. Already, the company will benefit from gold on lease coming back with the RBI giving the nod for re-introduction. It has also revised the minimum monthly installment of the revised Golden Harvest Scheme (GHS) to ₹2,000 from ₹5,000 to make it more appealing to consumers. Now, Titan is gearing up to counter the e-commerce threat with its omni-channel strategy and tie-ups with many online players. The company is laying more emphasis on digital and e-commerce in jewellery for working women-wear (like Mia) than on traditional categories like weddings or high-value ornaments. Accordingly, it is leveraging the digital platform to enhance consumer convenience and experience. Continuing to evaluate opportunities, the company has chalked out a five-year strategic plan to drive future growth.

On track

SevenHills Healthcare Pvt Ltd, which operates Asia's largest private hospital in Mumbai, is all set to implement its second phase. This is in spite of all the talks of the company changing hands. Established in 2010, the multi-speciality hospital which commissioned

over 300-bed capacity some time ago, out of its total proposed capacity of 1,500 beds, is now in the process of implementing its remaining capacity in the next few years. The hospital, which will possess the largest ICU capacity of 300 beds in a single location, recently got its loan re-payment restructured, amidst debts of over ₹900 crore owed to a consortium of banks lead by Axis Bank. Moreover, JPMorgan had come on board when it picked up 35 per cent stake through its Asia fund in the healthcare chain in 2008 and further infused \$50 million in 2013 to keep the hospital afloat as the hospital chain was reeling under debt. To bring the hospital back on track, the management recently also appointed a new CEO, Dr Ravindra Karanjekar, a seasoned campaigner who has been in hospital administration for 30 years in various hospitals including Lilavati, Fortis and Wockhardt. The management has also realigned its strategy to step up its occupancy. It is also planning to attract patients from countries like Africa and the Middle East.

Real foray

R.K. Jatia group promoted Provenance Land, the owner of Four Seasons Hotel, Mumbai, has entered the high-end residential segment of the real estate market. The hospitality chain that also owns Hyatt Regency in Pune, is constructing two 52-storey towers, adjacent to its existing hotel



Four Seasons Hotel, Mumbai

property in Worli, in Mumbai. Currently, it has a land parcel of 4.5 acre, of which the hotel stands on 1.5 acre. In the Phase 1 of the project, the company, formerly called Magus Estates, is constructing 26 limited edition ultra luxury homes (priced: ₹30 crore to ₹100 crore) in one of the towers, to be ready for possession in the next three years. This apart, the hospital chain will also build 100 serviced apartments spread over a 52-storey tower. This will come up under the banner 'Four Seasons Private Residences' and 'Four Seasons Serviced Apartments', not dissimilar to the Taj Wellington Mews. The company, which already has some presence in Pune, is also planning to replicate such projects in Delhi in future.

Unlocking value

According to a merchant banker, the publicly traded Kalpataru Power & Transmission Ltd (KPTL) plans to unlock value. It has Shree Shubham Logistics (SSL) as a subsidiary and is contemplating diluting its stake either through an IPO or a strategic investor. This is with a view to restructure the company. The money raised will fund KPTL's growth plans, capitalise the recently acquired NBFC – Punarvasu Holding and Trading Company, which supplements its agri-commodity business by providing funding facilities to market participants against a collateral of stocks, and repay part of its debt. The company intends to raise over ₹200 crore from the stake sale of SSL. All in all, the SSL listing could unlock substantial value for KPTL. Meanwhile, SSL has chalked out an aggressive expansion plan to add 3.87 lakh mt of storage capacity to the existing capacity of 3.5 lakh mt. Today, there is no comparable listed entity in the agri-commodity logistics space to benchmark the valuation but the leading integrated general logistic companies are trading currently at 20-25 time their FY17 estimated earnings. So no prize for guessing the valuation of SSL! Analysts believe, it can fetch a market capitalisation of around ₹1,000-1,200 crore. KPTL's market capitalisation stands at ₹3,600 crore at present. ♦