

Game changer

Goenka tells Ishita Ayan Dutt and Avishek Rakshit how he has changed his business repertoire since the family business was partitioned and why he still prefers to stay off Twitter

Why is Franz Kafka's Gregor Samsa jostling for mind space as Sanjiv Goenka takes his seat at Yauatcha, the Michelin-starred dim sum teahouse, having roots in Soho, London? Aah! the tenuous link of *Metamorphosis*.

Goenka's transformation runs deeper, of course. The fact that the three-button dapper blazer and pale pink shirt are enhanced by his recent weight loss is the superficial bit.

Lunch is in the private dining space of the restaurant, as per Goenka's preference, and we are wondering whether it's for better acoustics or privacy. "I am, essentially, a private person," says Goenka. That's also one of the reasons why he doesn't tweet. "There is something presumptuous about tweeting. I'm not sure people would be interested in my views. But yes, if it becomes a way of life, who knows..."

It's hard to believe that Goenka hasn't embraced Twitter yet. In the last six years — since the family business was partitioned — he has done more than a fair bit to capture the national spotlight by entering new-age businesses like business process outsourcing with the acquisition of Firstsource, sports through Atlético de Kolkata in the Indian Super League and Rising Pune Supergiant in the Indian Premier League; now, the new kid on the block is the fast moving consumer goods business.

Yauatcha, where we are seated, is housed in Quest Mall, which is part of Goenka's luxury retail debut. Quest has a retail space of 385,000 square feet where anchor tenants like Burberry and Gucci rub shoulders.

We are eagerly looking out for any privileges that Goenka as the mall owner might have, but it all seems pretty humdrum.

With minimum interruption, Javed hands out the menu cards but Goenka doesn't seem to need them. And yes, lunch is going to be frugal, for him, as we had guessed. "I have lost seven kgs in the last eight months," Goenka says, but encourages us to go for a three-course meal.

Goenka orders a sweet corn soup to soothe a sore throat, a vegetarian cheung fun and crispy asparagus and pumpkin roll. Not wanting to disappoint Goenka, we decide to sample the restaurant's dim sums from an assortment of prawn and chicken, to start with. "I normally don't order a soup, but my throat warrants one," he says. We ask him whether the raspy voice has anything to do with the on-field cheering for Rising Pune Supergiant. Goenka smiles sheepishly but his myriad emotions while catching the match have

been captured well on camera.

We also ask him why the team's name has suddenly been changed from Rising Pune Supergiants to Rising Pune Supergiant. Turns out, it's on the advice of a numerologist. To say that it has done wonders would be putting it mildly. The team is among the top three on the points table. "Last year, someone told us you must remove 's' otherwise you won't perform well and we didn't perform well. Obviously, that's not the reason for not performing well, but it didn't hurt us to remove the 's.'" Now, that's an understatement.

The appetisers are served and we get a share of the cheung fun.

"I am enjoying my moments in IPL. Being situated in Kolkata, we are a little out of the mainstream, so we need to make a little more noise to get noticed," Goenka says, but quickly adds that a fulfilling part of his life is being here. "But still, if you have to play in the national space, you have to make a little bit of noise."

And Goenka is obviously making the right noises. He made an entry into the *India Today* list of 50 Power People at rank 27 this year on two counts: 2016 was the year of turnaround for the retail business (Spencer's) and expansion for power utility CESC, but the more interesting part is, he is said to be the bridge between the government in Delhi and West Bengal Chief Minister Mamata Banerjee.

It's the perfect cue to ask him whether the political landscape in Bengal is at the cusp of another change what with the march of the Bharatiya Janata Party (BJP). The private person in Goenka sidesteps and says, "I think, Mamata Banerjee is doing a wonderful job." We give it another shot: But what about the BJP's prospects? Are the Kanthi by-elections — in which the BJP pulled a surprise by relegating the Communist Party of India-Marxist (CPI-M) and the Congress to the third and fourth positions — an indicator of the times to come? Goenka says, "The CPI(M) has vacated space", making it clear, he doesn't want to get drawn into any controversy.

At this point, Goenka's crispy asparagus and pumpkin rolls arrive. Oops! they are fried and passed over to us. We cringe at Goenka's self-control. But he assures that he has ordered crunchy iceberg dumplings and mulshi springs for the next round as opposed to udon noodles and wok-fried prawns in spicy XO sauce by us.

We return to IPL, which meanders in and out of our conversation. "It's giving the group branding," Goenka says, but that's not the rea-



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son why the group got into it, he clarifies. The investment, hardly any, assures Goenka, compared to the benefits, we guess.

IPL, however, is not the only property that will give Goenka the national visibility he is striving for. The FMCG foray should do its bit, too. "This is one of my dreams. We've got to reach out to more and more Indians as a group. Retail is one way of doing it, power is another, but you are limited by your presence. But FMCG is something by which you can reach out to a huge market," explains Goenka.

The plans are aggressive. Right now, the foray into the segment is under the Guiltfree platform with quick snacks like wheat thins and fox nuts, available in Kolkata, Delhi and Pune. But by the end of the month, around 50 products will be launched in the ₹5 category. And within three months, the products will be available across the country. Eventually, products will be added at the end of the spectrum — that's the high-end organic range.

But since the RP-Sanjiv Goenka Group is a late entrant into the FMCG business, is there a model that it would be following? "We will be creating our own model. Sounds cocky, na," says Goenka.

Our raspberry delice arrives, and is prettier than it tastes. Goenka who is cutting down on his salt and sugar intake, gives it a miss.

The FMCG business is a tricky one and Goenka is more than aware that he will be pitted against the likes of Unilever and ITC. Yet he seems supremely confident. Management consulting firm McKinsey & Company has been roped in to work on it.

The FMCG foray is also part of the group's larger plan to get away from government-intervention-intensive businesses or scaling down dependence in these segments. "Power is heavily dependent on government/political intervention," he says.

So CESC, the group flagship, is moving focus from power generation to power distribution. In fact, a restructuring plan is being put in place to formalise the demerger of the power utility's generation and distribution businesses. Spencer's, currently a subsidiary of CESC, too, is likely to have its own identity as part of this restructuring.

In the last six years, CESC's distribution rights have expanded from Noida, Howrah and Kolkata to Kota, Bharatpur and Bikaner — that's a total reach of six million consumers.

Goenka's connect with CESC goes back long. He was 29 when he decided on the acquisition. "I was like a cricketer going out in the field. There was no pressure. My father was there. I knew if something went wrong, he would protect me." That buffer is not there today, but the RP-Sanjiv Goenka Group appears to have done well for itself.

Since the split, the RP-Sanjiv Goenka Group's gross revenues have grown from ₹7,981 crore to ₹19,330 crore, profit before tax from ₹583 crore to ₹1,368 crore and gross assets from ₹16,267 crore to ₹33,460 crore. "In the last six to seven years, I have become a lot more self-assured, a lot more confident."

That has led to implementing some difficult decisions like retiring older CEOs within the group. "That was a bold decision. We brought in a younger lot of people and a culture of accountability and fierce competitiveness. It's the Virat (Kohli) model, more bottom-line-oriented," he says, and signs off with a quotable quote, "We don't jettison emotions, but don't make decisions based on emotions."

Is that why MS Dhoni got the short shrift as the captain of the Rising Pune Supergiant? We leave with that niggling thought.