

Exploring the art market

Mumbai-based Safset group, promoted by Vickram Sethi, is launching an art portfolio management services venture under the aegis of Safset Advisory Pvt Ltd. The group, which is also engaged in art auctioning, gallery (Institute of Contemporary Indian Art, Mumbai) as also art consultancy and valuation, will raise ₹250 crore as its first corpus from domestic investors (HNIs and corporates) with a minimum ticket size of ₹20 crore per investor. The capital will have a lock-in period of five-and-a-half years and the investors have been promised a return in excess of 250 per cent with investments in art works of modern artists like Anjolie Ela Menon, S.H. Raza, M.F. Husain and Akbar Padamsee. The company, which has already received commitments of ₹60 crore, is currently under the process of taking the necessary approvals from regulatory authorities, including SEBI, and expecting to launch the portfolio fund in the next one month. Safset has formed an advisory panel which includes, among others, RPG group chairman Harsh Goenka, who is also one of the biggest collectors of fine arts in the country.

Houseful

PVR Cinema is running houseful. The changing consumer patterns led by higher propensity to spend on movies has driven double digit growth in the company's existing screens. So much so, that the company plans to add another 160 screens (current base of 197 screens) in the next two years and has already signed up with developers to add 300 screens in the next four years. Recently, it has also inked an agreement wherein L Capital will invest ₹100 crore in the company's exhibition and entertainment business, for which L Capital will get a 10 per cent stake at ₹200/share. In addition, the two companies will enter into a JV to invest in entertainment, gaming, food and leisure



Sethi: getting arty

formats. The bowling business continues to do well and helps PVR bargain better deals with developers. Though ticket sales remain the primary source of revenue (65 per cent), the company expects food & beverage (20 per cent) and ad (15 per cent) revenues to be key growth drivers over the next three years.

Overseas jaunt

Buoyed by its recent success in IPO and having established its footprint in the domestic market, CARE Ratings is looking outbound and has chalked a major plan to start its credit rating services in overseas markets. In the next five years, the agency is planning to generate at least 15-20 per cent of its revenue from international operations. Under D.R. Dogra the company has recently formed an international agency, ARC Holdings in Singapore, along with four credit rating agencies in Brazil, Malaysia, Portugal and South Africa. Subsequently, this Singapore-based entity will acquire an agency in Portugal in order to have access to 30 eurozone nations. CARE, now ramping up its capability to provide international rating services including sovereign ratings, is also exploring opportunities in countries like Russia, Korea, China, Japan, the US and Philippines. The rating agency has recently set up its office in Maldives and is carrying out ratings for debt instruments and bank loans. A similar initiative is in the pipeline as well for Nepal and Mauritius, though in the joint venture.

Strategic move

NCR-based TDT Copper (formerly Alchemist Metal Ltd, a joint venture between Taihan Electric Wire, South Korea and Tomen Corporation, Japan) now owned by Sri Lakshmandas Ladha and his family, is undertaking a debottling exercise. The ₹900 crore company, with 79,200 tonnes of capacity to manufacture copper rods like continuous cast copper wire rods, oxygen-free copper wire rods and copper cast bar, catering to cable, power, electrical and automobile sectors, has plans to ramp up its manufacturing turnover to over ₹1,600 crore in the next two-three years. The company, supplying to enterprises like BHEL, Havell, Diamond Power, KEI Industries and others and exporting around 20 per cent of its turnover, is also diversifying its offerings by increasing the share of value-added services. Moreover, it has recently also ventured into infrastructure development by launching an infrastructure cluster called TDT Mega Industrial Park near Baroda in Gujarat under the state government's Industrial Park scheme. The 100-acre park targeting companies from engineering and automotive to power and electrical equipment is expected to attract an investment to the tune of ₹2,500 crore, generating employment for over 10,000 people. In a short span, the park has evoked an overwhelming response and is likely to commence its phase I operation (25 acre) in the 18-month period.