

Bamboo policy on the anvil: Gadkari

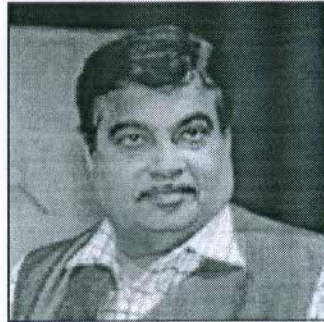
NEW DELHI

The Government is soon likely to bring a policy to promote bamboo sector which could be used to harness bio-fuel, Union Road Transport, Highways and Shipping Minister, Nitin Gadkari said at an ASSOCHAM event held in New Delhi on Tuesday.

"I have been very diligently working towards diversification of agriculture into energy and power sector, I am happy to inform that I aggressively followed up with the matter and held three meetings with the Prime Minister's Office (PMO) and soon we will have a bamboo policy," said Gadkari while addressing an ASSOCHAM summit - Crop, Care & Doubling Farmers' Income: Myths, challenges & way forward.

"Our petroleum minister has also signed 15 contracts to harness bio ethanol out of bamboo," said Gadkari.

He also said that second generation ethanol can be



made using bamboo, cotton straw, rice straw and residual cane-waste (bagasse).

"I do not think future of farmers can be transformed by producing wheat and rice as such carrying out innovation, entrepreneurship, technology and research is very important," he added.

Suggesting certain measures aimed at ensuring growth and development of agriculture sector, Gadkari said, "There is a need to bring down costs per acre and also to promote allied sectors like dairy, fisheries, poultry and others."

"In the current scenario, we need to boost productivity

to promote economic viability which would lead to job generation and boost the gross domestic product (GDP), besides promoting agro-processing industries and bringing down costs of power, seeds, fertilisers and insecticides is equally imperative," he added.

He further said that all of these steps together will lead to overall development of agriculture sector.

Highlighting that diversification of agriculture is most critical, he said that it is imperative to find substitute of petrol, diesel using agro-waste which would be import-substitute, cost effective, pollution-free and indigenous.

Taking a dig at the previous government regime, Gadkari said, "Had the capital cost incurred on purchase of aircrafts worth Rs 70,000 crore been used to provide irrigation facilities to farmers, it would have made a huge difference to the agriculture sector."



No Kidding Toys Mean Business

Can Imagician, a one-year fledgling homegrown toy brand, take on the likes of Mattel and Funskool?

PHOTOS: BHARAT CHANDIA

BY RAJIV SINGH | DELHI

The top five toy players in India, reckons Adnan Chara, log in just ₹300 crore in business. And when one adds the fact that branded players make up a meagre ₹650 crore out of ₹4,500 crore toy market in India, one gets to see why it makes sense to venture into the toy world. That was the trigger that led Chara to start his one-year old fledgling venture Imagician.

"The biggest multinational toy brands operating in India barely have a turnover of ₹100 crore," claims the Mumbai-based entrepreneur, who spent over two decades heading toy divisions of companies such as Mahindra Intertrade, Milestone Interactive and Mitashi Edutainment. A decent-sized unorganized importer, he lets on, sitting in a wholesale market, has a bigger turnover and better bottom lines than the so-called 'biggies'.

That's precisely why Chara is trying his luck at making it big in a country where the toy industry caters to nearly four crore children in the age group of 12 last year, according to a report by trade body Assocham. While over 70% of the toy market in India is unorganised, domestically manufactured toys account for a meagre 15%. The rest comes from countries like China, the US, the UK, Korea and Malaysia.

A kid population—between 0 to 14 years—close to 400 million is more than total population of most countries and is a dream market for any entrepreneur willing to take a leap of faith. Chara's business model is unique: a mix of import, selling licensed labels of foreign brands and peddling his own brands.

Apart from distributing licensed products of Disney and Doraemon, he also imports labels from Thailand, Korea, the UK and the US such as Safsof, BK Balloons, Mookie, Juggle Bubble, SpinzOrbitz, Wedgits and Wave Play. And the move has started paying dividends: the company posted over ₹10 crore in revenues in a little under one year.

However, the game-changer for Chara would be in carving out a niche for his own brands such as KidsVilla, a preschool edutainment toy; Kratos, which deals with vehicles on wheels and tracks; Imagi Builder, with a focus on blocks, mechanix and mosaic, ThrillPort, outdoor sporty toys, and Wepon, which deals with combat role play.

"We will cross ₹100-crore by 2022," he

contends. But isn't that too ambitious? Chara sounds confident. The magic wand to achieve this lies in manufacturing. The company is exploring options with several toy makers in China and Thailand to start production in India.

Apart from setting up his factory, Chara is also betting big on the recently-rolled out GST, which will massively increase the size of the organised industry. Unorganized players, he reckons, thriving on importing with under valuation and evading taxes will get hit hard. Even if brands elevate themselves to 50% market share as against the current 15% over five years, every organized toy industry player has the opportunity to grow at least three times, he claims.

The market opportunity, point out experts, is indeed massive, especially for organised players.

"GST blunts the huge edge that unorganized players importing from China used to have in India," says Ashita Aggarwal, head of marketing at SP Jain Institute of Management and Research. "It will now be a level-playing field for all the organised and local players," says Aggarwal.

However, she quickly adds a word of caution.

Though the opportunity might look huge, the challenge is equally daunting: getting kids back to toys, especially in urban areas.

Emergence of video games and mobiles has dented the business across the world, as people are shifting from traditional toys and games. The situation, she adds, is alarming in India as well as kids get hooked to mobiles and tablets, early on.

Another big challenge is brand building. An Indian player, she reckons, has to spend heavily on marketing to take on biggies like Mattel and Funskool. Still, the chances of survival are bleak in top cities. "The real opportunity lies in Bharat, not in urbanised India," she says.

Chara, for his part, knows that the road ahead is bumpy. But he has strapped on the seatbelt. If Chhota Bheem and Motu Pathu can fight the popularity of Disney, Marvel and DC comics, then why can't Indian toy brands entice kids better than multinational ones, he asks. Kids getting hooked to mobiles, he argues, is in fact an opportunity. "If one has a great edutainment concept, kids will flock around it," he says.

While Chara might not be kidding, the success of his venture weighs on whether kids, and their parents, toy with the idea of playing with toys.

rajiv.singh@timesgroup.com

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