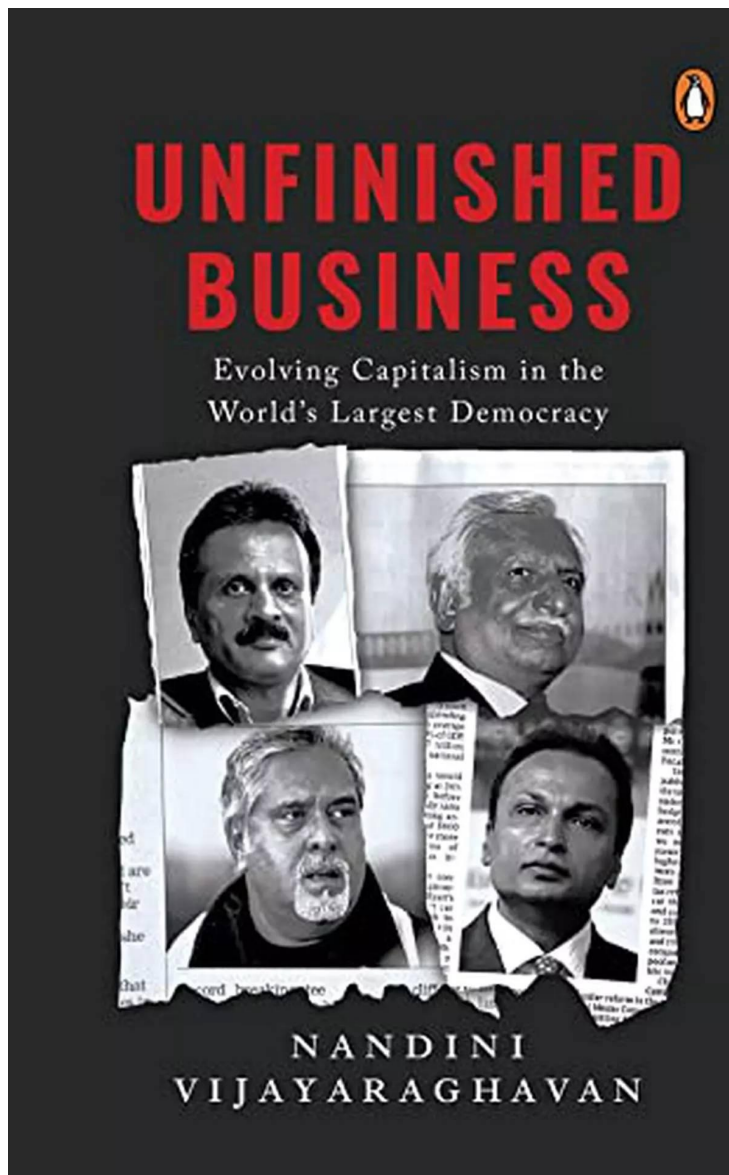


Book review. Unfinished Business – Evolving Capitalism in the World's Largest Democracy

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Those who cannot remember the past are condemned to repeat it, is a frequently quoted line, attributed to Winston Churchill. But to learn from the past, soundly constructed histories are essential.

Well-researched and documented business history is still an emerging discipline insofar as it relates to Indian businesses. *Unfinished Business* by Nandini Vijayaraghavan fills a gap in that field.

The book is a chronicle of four businessmen who grew their businesses rapidly, in an endeavour to ascend to the top echelons of Indian business; but came crashing just as quickly. They are all examples of “Icarus entrepreneurship”, flying on the “paraffin wings of debt and political connection” in Vijayaraghavan’s words.

The businessmen featured in the book are VG Siddhartha (VGS), who is better known for having set up the Café Coffee Day chain, Naresh Goyal, founder of **Jet Airways**, Vijay Mallya, the scion of the UB group set up by Vittal Mallya, and Anil Ambani, brother of Mukesh Ambani.

A broad canvas

Anchored around the stories of these four businessmen, the book is a compact history of four industries, namely, aviation, defence, telecom, and oil and gas. History viewed primarily through the lens of financial and other managerial decisions that eventually led to the failure of the enterprises in question.

Vijayaraghavan dwells at length also on the interplay between public and industrial policy and business. Those aspects enhance the usefulness of the book as a work of business history.

Her narration of the history of the aviation industry in India is perhaps the most comprehensive of all the four industries that she covers. Set as the backdrop for the stories of Vijay Mallya and Naresh Goyal, it combines a tremendous amount of financial detail about the airline industry, interspersed with human interest elements such as the gruesome killing of the founder of East West Airlines, the turn in the fortunes of Spice Jet and the UDAAN initiative which, pious intent aside, was so poorly conceived that one might be tempted to believe that it was designed to fail.

Vijayaraghavan’s narrative style takes us through many related developments, quite in the tradition of Indian mythologies, which branch off into many subordinate, related stories.

For example, she utilises the context of the financial woes that VGS ran into in 2018, which eventually culminated in his tragic death, to present the story of the growth and the

catastrophic collapse of Infrastructure Leasing and Financial Services, more popularly known by its acronym IL&FS.

While tracing the rise and fall of the flamboyant Wharton alum, Anil Ambani, she presents an interesting account of the nascent private telecom sector and the related political drama around the 2G spectrum and the even more complex relationship between business and government in the oil and gas industry.

Academics who like rigour would love Vijayaraghavan's weaving of numerical rigour into her financial analysis, which gives Unfinished Business a text-book like quality. At the same time, she makes tantalizing observations that make the reader want to know more about the gossip around developments like the truce between the Ambani brothers when they decided to part ways fully.

Takeaways from Unfinished Business

Vijayaraghavan has many lessons to offer from the many companies she analyses. But in my opinion, there are two key dominant themes among them: Fiscal prudence and good governance.

First, companies should pursue growth that is financially sustainable, if they do not want to crash and burn. As far as possible they should finance their growth through their own cash flows, instead of borrowing funds. Companies should borrow only as much as their cash flows will permit them to repay, even when there is a financial downturn for the borrower.

Second, companies should adhere to canons of good governance that treat all stakeholders fairly. A common theme running through all the principal and subordinate narratives in the book is one of how corporate governance in Indian industry is still far from being fair to various stakeholders.

She mentions several instances of promoters treating the funds of companies with significant public shareholding as if it was their own proprietary funds.

In all the four companies and in a few others too, the promoters got wealthy at the expense of public shareholders by allotting themselves shares at a fraction of the price at which they sold the shares to the public shareholder. We see this play in some of the companies that went public recently.

Pointers for the author to think about

Unfinished Business is an impressive work. Yet, I could not help wishing Vijayaraghavan had elaborated more on her choice of the four businessmen she writes about. After all corporate India is not short of businessmen who blazed upward at blinding speeds, only to leave behind massive financial and other disasters.

History that weaves the longitudinal with the cross-sectional is extraordinarily challenging to pull off. One can see this struggle when Vijayaraghvan travels back and forth in time, narrating the story of R-Power. One is left wondering if the narrative could have been structured a little differently to make it easier on readers who find it difficult to hold on to the different, divergent threads of a complex narrative.

Finally, on a partly lighter note, while the internecine strife between the Ambani brothers reminds one of the battle of Kurukshetra, I am unable to see a lot in common between Anil Ambani and the Pandavas.

All of that said, as a teacher of finance in a business school, I believe that every student of management in India ought to read the book. At least the last chapter titled 'Knives Out', and the epilogue. The book is an illustration of how an analyst has to travel far afield, beyond what the annual reports and financials tell us, in order to understand the prospects for a business.

Check it out on [Amazon](#).

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