

STOCKS
IN THE NEWS

Adani Transmission

342.05

336.20

323.70

345

335

325

315

305

295

To sell 25.1% in Adani Electricity Mumbai to Qatar Investment

₹342.05 CLOSE

▲ 1.74% UP*

YES Bank

63.05

50.55

42.80

68

58

48

38

28

18

Board defers an announcement on new investors

₹42.80 CLOSE

▼ 15.33% DOWN*

GAIL (India)

123.30

117.25

111.00

125

120

115

110

105

100

Top gainer among S&P BSE100 index stocks

₹117.25 CLOSE

▲ 5.63%% UP*

CSB Bank

300.10

259.35

240.75

320

290

260

230

200

170

Ended lower for fifth straight day; down 21% since listing day

₹240.75 CLOSE

▼ 7.17% DOWN*

DLF

220.20

222.90

216.85

224

221

218

215

212

209

Market cap touches ₹55,174 crore; highest level since Nov 2010

₹222.90 CLOSE

▲ 2.79% UP*

IN BRIEF

Walmart & Flipkart invest in Ninjacart to take on Amazon

US retail giant Walmart and e-commerce firm Flipkart said they have made a joint strategic investment in Ninjacart, a start-up that provides business-to-business (B2B) supply chain infrastructure and technology solutions. The three firms aim to ensure better access to high-quality fresh produce to more retailers and consumers across India. This pact would also create economic opportunities for farmers. However, the companies did not reveal financial details of the transactions. This is the second strategic investment for Flipkart in the logistics segment this year. This is expected to help it take on Amazon's online grocery delivery business. Last week, Flipkart said it made a strategic minority investment in Shadowfax, a cross-category and full-stack logistics platform founded as part of the company's \$60-million Series-D funding round. Partnering Ninjacart will help Walmart and Flipkart strengthen direct sourcing of fresh produce for Walmart India's best price B2B cash-and-carry stores and Flipkart's online grocery business Supermart. **PEERZADA ABRAR**

KredX raises \$26 mn in Series-B funding led by Tiger Global

KredX, an invoice discounting platform announced it raised \$26 million in Series-B funding led by Tiger Global Management, with participation from existing investors. KredX was started by Manish Kumar and Anurag Jain in 2015 to help businesses meet their short-term working capital needs by facilitating discounting of their unpaid invoices. **BS REPORTER**

Netflix tests multi-month packs in India

US-based Netflix has started testing longer subscription plans in the country, as it looks to woo new users in India where online video consumption has seen a massive growth in the past few years. According to sources, Netflix has started testing multiple months subscription plans (three, six and 12 months) that will be offered at a discounted price. **PTI**

Tara Sinha, doyenne of Indian ad world, passes away at 88

VIVEAT SUSAN PINTO
Mumbai, 11 December

Tara Sinha (pictured), best known as the founder of ad agencies Clarion and Tara Sinha Associates, passed away on Wednesday at her Gurugram residence. She was 88.



Sinha, who had both agency and client experience having worked at Coca-Cola in the 1970s and early 1980s, was the first woman to set up a national advertising agency. While Tara Sinha Associates was launched in 1985, Clarion was launched way back in 1955 at the start of her career.

Sinha was also regarded as a fearless woman, who spoke her mind and never hesitated to take tough decisions. Her career saw her travel places and acquire skills across the advertising, marketing, and research spectrum, working with some of the best brands in fast-moving consumer goods. Tara Sinha Associates, in fact, was formed after she was controversially fired from Clarion in 1985, the agency she came back to following her return from the US.

This pushed her to set up Tara Sinha Associates much the way she had Clarion with clients (Nestlé and Gillette) and staff from the agency she was exiting. The agency became Tara Sinha McCann Erickson (now McCann) in the later years.

Having completed her advertising diploma in the early 1950s from London, Sinha joined D J Keymer, Kolkata, the Indian subsidiary of S H Benson that later became Ogilvy & Mather.

In 1955, Benson closed its Kolkata office, pushing Sinha and others to form Clarion. She became its first director at 23. Sinha relocated with her husband to Mumbai in 1963 and headed Clarion's office there. She worked in Delhi as well, joining Coca-Cola in 1973, overseeing its marketing operations in India and then working at the Atlanta office, after the company quit the country in 1977. In 1984, she returned to head Clarion for a year and never looked back when the agency closed its doors on her.

Two subsidiaries — Admar, a market research agency, and Result, a below-the-line and direct marketing agency, were formed in addition to the agency Tara Sinha Associates.

Bidvest knocks on SC door to sell MIAL stake to Adani

Company signed a deal with Adani Group in January to sell stake in Mumbai airport

DEV CHATTERJEE
Mumbai, 11 December

The Mumbai International Airport (MIAL) acquisition battle has moved to the Supreme Court (SC), with the apex court asking the arbitration panel set up by Delhi High Court (HC) to take a call on the sale of Bidvest's 13.5 per cent stake in MIAL by December 15.

Unhappy with the delay in selling its stake to Adani Group in January this year due to litigation by the GVK Group, Bidvest had moved the SC. The SC on Wednesday asked the panel to take a call on the matter by Sunday (December 15). The court will hear the matter again on January 13, 2020.

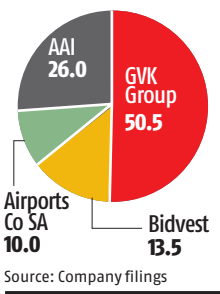
The counsel appearing on behalf of Bidvest submitted to the SC if the matter gets further delayed, the prospective purchaser (Adani Group) may back out from the deal. It was submitted by Bidvest that GVK Group has no money to purchase its shares and any delay in the disposal of the matter would prejudicially affect its interests.

"Considering the submissions, we request the arbitral tribunal to dispose of the application filed under Section 17 of the Arbitration and Conciliation Act, 1996, on the next date of hearing—December 15, 2019," the SC said. It will hear the matter again on January 13.

Bidvest signed a deal with Adani Group in January to sell its stake in Mumbai airport and according to its



OWNERSHIP DETAILS



right of first refusal agreement offered to sell the stake to GVK.

The GVK Group failed to buy the stake within the stipulated 30-day deadline and moved Delhi HC. The single Bench of Delhi HC rejected the GVK petition, seeking more time to buy the stake. But a Delhi HC division Bench in June this year sent the matter to an arbitration panel, which is hearing the case.

On October 27, GVK had announced it would raise ₹7,614 crore by selling 79.1 per cent stake in its airport business to three investors led by Abu Dhabi Investment Authority, PSP Investments of Canada, and the National Investment and Infrastructure Fund.

Proceeds from the transaction were to be used by GVK to retire debt of around

₹5,500 crore of its holding companies and fund the purchase of additional shares in MIAL from two South African entities — Bidvest and Airports Company South Africa. But the transaction is delayed due to lack of regulatory approvals for the acquisition, thus, frustrating Bidvest's efforts to exit India.

When contacted, an Adani Group spokesperson declined to comment. A GVK Group spokesperson declined to comment as the matter is sub-judice.

But an Adani Group insider said they have funds ready to buy Bidvest stake and close the deal within a week. Earlier, a top official of Adani Group said the group has set aside ₹10,000 crore for the transaction to buy out all stakeholders in MIAL.

We are here to stay, says Virgin Atlantic

Branson to meet Maharashtra CM Uddhav Thackeray today over building of Mumbai-Pune hyperloop

ANEESH PHADNIS
Mumbai, 11 December

Virgin Atlantic founder Richard Branson is a man who loves to take up challenges. At the age of 69, he has launched a cruise line, is preparing for a test flight in a spacecraft and taking on established airlines on the India-UK market. Virgin Atlantic failed on the London-Mumbai route twice before but Branson hopes the airline will be third time lucky.

It is capitalising on the growth in traffic, decline in capacity following closure of Jet Airways and its partnership with "big brother" Delta Airlines of the US.

The UK airline resumed its Mumbai flight in October and will be adding a second London-Delhi flight next March.

Branson, who was in Mumbai to promote the new flights, has ruled out investing in Air India. Branson, however, plans to invest in a hyperloop to connect Mumbai-Pune in 15 minutes. He will meet Maharashtra chief minister Uddhav Thackeray on Thursday to clear misunderstanding around the project.

"There is no money expected from government. It will all be private investment and the public will benefit immensely because of the hyperloop," he asserted.

While air traffic between India and the UK

has grown, closure of Jet Airways reduced capacity in the market, opening up opportunity for Virgin Atlantic. Currently, Air India, British Airways and Emirates dominate the traffic on routes between the two countries.

"Our flights are going almost full and we are seeing healthy returns," said the airline's (Virgin's) executive vice-president Juha Jarvinen. "We are here to stay. Adding a second Delhi flight is our commitment to the Indian market," he added.

The airline is also exploring the option to connect Manchester with India.

Virgin Atlantic had a strong commercial partnership with Jet Airways which shut operations in April. Virgin is looking for other Indian partners which will feed its services from Mumbai and Delhi.

"There aren't many brides with a name like Virgin. We are quite unique and we should be able to find a partner," Branson quipped. Branson, who founded Virgin Atlantic 35 years ago and saw many rivals go bust, recently retained control over his airline. The airline sold 49 per cent stake to Delta Airlines a few years ago and was to sell another 30 per cent to Air France-KLM as a part of a wider partnership. But Branson has backed off from the plan and will not be selling the additional 30 per cent.



Anand Mahindra (left), chairman, Mahindra Group, and Virgin Atlantic founder Richard Branson in Mumbai on Wednesday

FLYING HIGH

► Virgin Atlantic to have three daily flights between India and London from next summer

► Around 3.4 mn passengers flew between India and UK in the past 12 months ended in September

► London Heathrow and Delhi are biggest gateways accounting 70 per cent and 25 per cent of India-UK traffic, respectively

► Air India, British Airways, and Emirates are the biggest airlines in India-UK market

PHOTO: KAMLESH PEDNEKAR

Cardio-diabetics set to gain as key drugs go off patent

SOHINI DAS
Mumbai, 11 December

Indian cardio-diabetic patients are in for a huge relief as prices of two key diabetes and heart ailment-related drugs have gone off patent this year and home-grown companies have rushed to fill the market with cheaper generic variants of the innovator drugs.

The prices have already dropped by almost 80 per cent in most cases. The good news is that more diabetes drugs are set to go off patent in the next two to four years, bringing relief to India's 73-million diabetics.

Swiss multinational Novartis' Galvus (Vildagliptin) went off patent in December. From ₹20-25 per dose (a patient needs two doses per day), the prices have already fallen in the range of ₹5 and ₹6 per dose, or about ₹10 per day for a chronic diabetic patient.

Earlier this month, Ahmedabad's Eris Lifesciences acquired Zomelis for Vildagliptin-based formulations from Novartis for ₹93 crore. The market is heating up. At least 30 new brands are already available in the market,



'SWEET' PILL

► Diabetes drug Vildagliptin and heart ailment drug Ticagrelor off patent — bringing prices down by over 80%

► Bristol Myers Squibb's blood thinning drug Apixaban's patent expiry is expected

► Many local firms are ready with generic Apixaban as one patent expires in Dec, another in Sept 2022

with almost every major pharma company in the country — Torrent, Zyudus, Intas, Lupin, Panacea, Cipla, Zuentus, Emcure — going after this drug. The market size is estimated to be roughly around ₹900 crore or so (along with its combination with Metformin, another diabetes drug).

Another cardiac drug Ticagrelor (AstraZeneca sells as Brilinta) went off patent this year. And Bristol-Myers Squibb's Apixaban

(brand name Eliquis) is under litigation related to a timeline for patent expiry. One patent expires this month, but the innovator had claimed that another one protects it till September 2022.

Hyderabad's Natco Pharma has already tried to launch a generic Apixaban (named Apigat) and the matter went to Delhi High Court. "Domestic companies are ready with their generic versions of Apixaban and most would be

launching it using the same route as Natco," said a senior official of a Mumbai-based company planning to launch the product.

Ticagrelor is a platelet aggregation inhibitor or a blood thinner. It is prescribed to patients with a history of cardiac illness to reduce the chances of a heart attack. Apixaban also reduces blood clotting and reduces the chances of a stroke. Ticagrelor was roughly priced around ₹55 per dose. The prices are likely to come down to as low as ₹12, claimed industry insiders, with the average price at ₹20 per dose. Similarly, Apixaban prices have come down from ₹70 to ₹12 per dose.

A chronic patient stands to save around 80 per cent of his monthly cost on these medicines if he switches to home-grown brands. "The innovator companies, too, have slashed their prices, but they would still continue to command a premium pricing as they are the innovators. Doctors who prefer to prescribe innovator brands may continue to do so. Even then the patient stands to benefit, saving anything between 40 per cent and 50 per

cent," said the head of cardio-diabetic and drug licensing division of a leading pharma company.

Will there be a price war?

A senior official of a Mumbai-based drug firm said he does not think so. Another diabetes drug Teneligliptin (Mitsubishi Pharma drug) had seen a major bloodbath in the domestic pharma market after the patent expired. While Glenmark was the first to launch the generic version in June 2015 for ₹19.9 per dose, soon at least 100 brands followed, with prices crashing to almost ₹6-7 per dose.

"Gliptins were available for ₹40-45 a dose prior to Teneligliptin. When the patent expired, the initial prices fell to a third of the innovator price. Pharma companies thought it was a substantial reduction and the first movers did brisk business. The later entrants did not have any other strategy, but to have a pricing advantage and the prices continued to fall," he explained.

Teneligliptin was also not backed by good clinical data, which also made pricing the

main strategy for companies to push the drug. But, the case for Vildagliptin is likely to be different — it has established efficacies and it is likely to eat into the ₹600-crore Teneligliptin market. "Moreover, from specialist doctors, now even general physicians would start prescribing Vildagliptin, thus, expanding the market significantly in terms of volumes," said drug launching the drug.

Gliptins are a new category of drugs for diabetes treatment — with a market size of ₹3,500-4,000 crore, growing at 30 per cent or more. The overall diabetic market is estimated to be around ₹13,000 crore or so, dominated by a cheap drug Metformin.

A Gujarat-based company launching its own Vildagliptin brand said it expected at least 50 brands in the segment, as the market expanded along with further price erosion.

Sitagliptin is set for patent expiry next around 2021 along with some drugs in the SGLT2 inhibitor (also called gliptins) segment in the following years, another diabetic drug category.

SFIO begins probe against CG Power, 15 group firms

PRESS TRUST OF INDIA
New Delhi, 11 December

The Serious Fraud Investigation Office (SFIO) has started probe into the alleged irregularities at CG Power and Industrial Solutions and its 15 group companies.

"The company has received a letter...from the office of the Joint Director (Investigation), SFIO, Ministry of Corporate Affairs...informing that the Central Government...has ordered an investigation by the SFIO into the affairs of the company and its 15 related/group companies (not having been specifically identified in the said letter) ...The said SFIO investigation has been initiated," CG Power and Industrial Solutions said in a regulatory filing.

The company was committed to cooperate with SFIO to enable them to complete its investigation in a time bound manner, the filing added.