

A DAY OF APPOINTMENTS

Sunil D'Souza to be MD & CEO of Tata Global Beverages

Whirlpool India's Managing Director Sunil D'Souza will be the new MD and chief executive officer (CEO) of Tata Global Beverages, the firm said on Friday. The firm said Ajit Krishna Kumar would take over as chief operating officer. D'Souza's appointment is effective April 2020. The announcement of D'Souza at the helm of Tata Global brings to an end a nearly six-month search for a new captain to steer the company, which is changing focus from being a beverages-only company to one that includes foods as well. Incumbent MD and CEO Ajoy Misra is retiring from the company at the end of FY20. The change in focus at Tata Global is due to the proposed demerger of the consumer products division of Tata Chemicals into it, announced in May, which will see the turnover of the former increase 25 per cent to ₹9,099 crore. The demerger is likely to be completed by the end of FY20.



VIVEAT SUSAN PINTO

CG Power names ex-CJI T S Thakur investigation head



CG Power and Industrial Solutions on Friday said it has appointed former Chief Justice of India T S Thakur as head of investigation to monitor the ongoing forensic investigation. The proposal was accepted by Justice Thakur, the company said.

PTI

Sridharan joins Piramal to lead consumer finance

Jairam Sridharan, ex-chief financial officer of Axis Bank, has joined Piramal Enterprises as chief executive officer of its consumer finance business. Anand Piramal, executive director, said the enterprise looks at good growth opportunities in consumer and small business financing segment.

BS REPORTER

OYO appoints Ankit Gupta chief operating officer

OYO Hotels & Homes on Friday said it has appointed Ankit Gupta as chief operating officer and senior vice president for its coliving, rental homes and self-operated hotel businesses in Indian and South Asia. Gupta has been appointed as COO & SVP - Frontier Businesses, OYO India & South Asia.

PTI

Jaideep Nandi joins Bajaj Consumer as chief executive



Bajaj Consumer said it had appointed Jaideep Nandi as its CEO, effective January next year. An alumnus of the IIM Bengaluru, Nandi was working with Asian Paints. The decision was approved by the board on Friday.

BS REPORTER

Becky Schmitt appointed EVP, chief people officer of Cognizant

IT firm Cognizant has named Becky Schmitt as its new executive vice-president (EVP) and chief people officer. Schmitt will succeed Jim Lennox, who is retiring after a 16-year stint with the company. She will join Cognizant on February 1. She is currently the senior vice-president and chief people officer at Sam's Club, a \$59 billion division of Walmart. The announcement was made by Cognizant Chief Executive Officer Brian Humphries in a e-mail to employees.

PTI

IN BRIEF

Lenskart secures \$275 million from SoftBank Vision Fund

Eye-wear start-up Lenskart said it was raising over \$275 million from Softbank Vision Fund to augment tech capabilities and strengthen supply chain infrastructure. Avendus Capital was the exclusive financial advisor to this transaction. Business signals platform Paper.vc on Friday said the deal gave the company a post-money valuation of about \$1.5 billion. Lenskart is engaged in the manufacturing and supply of eyewear products. "A large part of this investment will go towards building next-generation technology and supply chain to deliver billion glasses with the highest quality at the best price and most amazing customer experience," said Peyush Bansal, founder and chief executive officer of Lenskart. "We are thrilled to have Softbank Vision Fund with us in our journey. Experts said the deal would allow the Delhi-based company to scale operations to more locations in small towns and overseas territories.

PEERZADA ABRAR

CCI nod to Qatar Holding's stake buy in Adani Electricity

The Competition Commission of India on Friday said it has given approval under the green channel route to the acquisition of over 25 per cent stake in Adani Electricity Mumbai and Adani Electricity Mumbai Services by Qatar Holding. The Qatar Investment Authority (QIA) earlier in December agreed to buy a 25.1 per cent stake in Adani Electricity Mumbai — the firm that distributes power to three million consumers in Mumbai — for ₹3,200 crore.

PTI

Benling launches new high-speed two-wheeler

Benling India Energy & Technology, an Indian arm of Chinese electric two-wheeler manufacturer, launched its latest model Aura. With this launch, the firm has entered into high speed segment of India's EV market. Aura is likely to go on sale from the first quarter 2020.

BS REPORTER

CRISIL to acquire Greenwich Associates for \$40 mn

CRISIL, an S&P Global firm, will acquire Greenwich Associates for \$40 million. Greenwich is a provider of proprietary benchmarking data, analytics and qualitative, actionable insight. The acquisition will be done through CRISIL's 100 per cent subsidiary, CRISIL Irevna, and funded entirely through internal accruals.

PTI

Glenmark gets nod to market Ryaltris in Australia

Glenmark Pharmaceuticals on Friday said that it has received approval from Australian regulator Therapeutic Goods Administration to commercialise Ryaltris in Australia through its partner Seqirus. Ryaltris is a new fixed dose combination nasal spray of an antihistamine and a steroid indicated for treatment of symptoms associated with allergic rhinitis and rhinoconjunctivitis in patients over 12 years of age.

PTI

ONGC to get Panna-Mukta fields from Shell, Reliance

Production-sharing contracts for the fields will expire on Dec 21

SHINE JACOB

New Delhi, 20 December

After operating the Panna-Mukta oil and gas fields for 25 years, Shell and Reliance Industries (RIL) will hand over the fields to state-run Oil and Natural Gas Corporation (ONGC) on Saturday.

RIL and Shell, through its subsidiary BG Exploration & Production India (BGEPI), hold 30 per cent each in Panna, Mukta, and Tapti joint venture (JV), while the remaining 40 per cent is owned by ONGC, the government nominee. "The Panna-Mukta and Tapti (PMT) JV partners will be handing over the Panna-Mukta oil and gas fields back to the government's nominee, ONGC, on December 21," Shell and RIL said in a statement on Friday. The production from Tapti field had stopped in early 2016, while the output from other fields was dipping constantly.

The Production Sharing Contracts (PSC) for the PMT fields, which were executed by the JV with the Centre in 1994, will expire on December 21. The Tapti process platform facilities were handed over to ONGC in 2016. Decommissioning and site restoration of residual Tapti facilities, including five unmanned platforms and in-field pipelines, are being carried out by the JV under India's first offshore decommissioning and site restoration project. The Tapti decommissioning and other commercial activities would continue in BGEPI even after Panna-Mukta handover.

AT A GLANCE

Panna-Mukta production since 1994

CRUDE OIL
211 million barrels

NATURAL GAS
1.25 trillion cubic feet

Production in 2019

CRUDE OIL
10,000 barrels a day

NATURAL GAS
140 million metric standard cubic feet a day



ities would continue in BGEPI even after Panna-Mukta handover.

Trivikram Arun, managing director of BGEPI, said: "The JV is a great example of a successful partnership between ONGC, RIL and an International Oil Company (Shell). Shell is proud to have been part of this journey and privileged to have partnered with Reliance, ONGC, and the Centre. Our teams have worked relentlessly to ensure a safe handover of the producing fields from the JV to ONGC at the end of the term."

The PMT fields were the first in India to be operated under a joint operatorship model. The Panna-Mukta fields, off the Mumbai coast, have produced 211

million barrels (mmbbls) of oil and 1.25 trillion cubic feet (tcf) of natural gas since December 1994. In 2019, the average monthly production from the fields was 10,000 barrels (bbls/day) of crude oil and 140 million metric standard cubic feet (mmscf/day) of natural gas.

B Ganguly, president of exploration and production at RIL, said: "At their peak, Panna-Mukta has contributed to nearly 6 per cent of India's oil production and almost 7 per cent of India's gas production in 2007-08. RIL has been a part of this journey and contributed, by providing energy, to the growth and development of India's oil and gas sector."

Embassy Group to infuse more funds into office park REIT

DEBASIS MOHAPATRA

Bengaluru, 20 December

Embassy Group plans to add more assets to its office park real estate investment trust (REIT) in the coming quarters.

The Bengaluru-headquartered real estate entity was the first company to list its REIT on Indian stock exchanges, after raising ₹3,000 crore earlier this year through issue of non-convertible debentures maturing June 2022 with annual yield of 9.4 per cent.

Blackstone Group is the other sponsor of this REIT.

"Our REIT is performing pretty well and we are putting in some more assets into it," said Aditya Virwani, chief operating officer at Embassy. "We are more inclined towards the REIT model because of predictable cash flow, which makes investors comfortable with this asset class".

Currently, the Embassy Office Parks REIT has 25 million sq ft of completed assets, with a pipeline of another eight mn sq ft in major cities, including Bengaluru and Mumbai.

WE ARE MORE INCLINED TOWARDS THE REIT MODEL BECAUSE OF PREDICTABLE CASH FLOW, WHICH MAKES INVESTORS COMFORTABLE WITH THIS ASSET CLASS

ADITYA VIRWANI

Chief operating officer, Embassy



Firm picks Kotak, Morgan Stanley for fundraising

Embassy Office Parks REIT (real estate investment trust) has picked Kotak Mahindra Bank and Morgan Stanley to help raise funds for a potential acquisition of commercial property assets in India, according to people familiar with the matter.

The trust selected the banks as advisors, said the people, who asked not to be identified as the discussions are private. There's no final decision on the size and structure of the financing, which could be a combination of debt and issuance of new units, the people said. The funding needs come as Embassy REIT is evaluating a purchase of its sponsor's office assets in Bengaluru. Embassy REIT has the "right of first offer" for these assets. Deliberations of the financing are ongoing and they might not lead to a deal, the people said.

BLOOMBERG

'Burmah-shelled' BPCL could be new owner's delight

A foreign or private investor may not find it difficult to fit into the firm's pre-nationalisation work culture

AMRITHA PILLAY

Mumbai, 20 December

In 2016, when the NDA government repealed the Bharat Petroleum Corporation (BPCL) 1976 Nationalization Act, life for the once private company came full circle.

Even after its nationalisation, the company continued to remain "foreign" and "privatised" in its work culture, say former and present employees and some industry executives. "BPCL has always been spoken about as a multinational company though it is state-run...this sets our work culture also apart from the others," says a senior BPCL official, who did not wish to be named.

From Burmah Oil Company to Burmah-Shell, the company that started from Scotland travelled through the South Asia markets and found its bearings in India's manufacturing sector when it built a modern refinery at Mumbai's Trombay in the 1950s. Burmah Shell was nationalised in 1976, paving way for the present day BPCL.

It is believed the major reason for nationalisation of BPCL was the reluctance by the company to supply fuel to the Indian armed forces during the 1971 war between India and Pakistan.

On November 20, the Centre decided to go for sale of its entire 53.29 per cent stake and transfer of management control to a strategic buyer. People in the know add the sale is likely to attract attention from a host of foreign bidders, mostly oil producers aiming to secure a market for their produce. In the event of a foreign or private investor, they may not find it difficult to fit into the company's pre-nationalisation work culture,



BPCL'S LEGACY

■ Fuelled JRD Tata's historic solo flight in 1932

■ Signed an agreement with the central government to build Trombay refinery in 1951

■ Introduced LPG as a cooking fuel to Indian homes in the mid-1950s

Source: BPCL website

which some believe has been preserved well.

"The Burmah Shell culture continued even after the nationalisation. A lot of the Burmah Shell employees stayed with BPCL and the new recruits were trained in the same culture. The company was different in terms of decision making; faster and response to crisis management was more professional," says Sarthak Behuria, former chairman and managing director, BPCL, who also worked as chairman for Indian Oil Corporation (IOC).

Behuria says the culture was advantageous when deregulation of petroleum pricing first happened after the

dismantling of administered price regime. BPCL started its marketing initiatives, like Pure for Sure campaign. "The company was considered to be more progressive," he adds.

P Elango, managing director for Hindustan Oil Exploration Company, refers to the absence of name-plates at BPCL offices as symbolic of this culture. "There would be no nameplates for directors and associates have a culture of calling each other by names," he said. The BPCL official quoted earlier adds the salutation 'sir' is used sparingly, only for senior-most persons. According to BPCL's 2018-19 annual report,

Jet's insolvency process gets 90-day breather

PRESS TRUST OF INDIA

New Delhi, 20 December

The National Company Law Tribunal (NCLT) on Friday approved the extension of Jet Airways insolvency resolution period by 90 days.

The committee of creditors (CoC) sought extension of the corporate insolvency resolution process (CIRP) of Jet Airways' from the Mumbai Bench of the NCLT, in view of South America's Synergy Group wanting more time for due diligence and two new interests being shown for the grounded airline.

The tribunal, comprising Bhaskara Pantula Mohan and Rajesh Sharma, gave their approval for the extension of time as the 180-day deadline for CIRP period of the grounded airline had ended on December 16.

On Thursday, Synergy Group Jet Airways' sole potential bidder had sought more time to take a decision on investing in the grounded airline. After being asked to expedite their decision, the representative of the Synergy Group had said the company wants to comply with the tribunal's directions, but it also has to ensure that it takes the right decision on behalf of its stakeholders.

"We understand the urgency of the matter.



SHARES RISE

Dec 19	Dec 20	Chge (%)
₹23.35	₹24.50	4.93

Source: Bloomberg

However, we will require a little bit more time to arrive at the conclusion that this is the right decision on behalf of the stakeholders," he added.

He said the company sees a good opportunity in Jet Airways, given some issues are resolved.

"Some of the criteria that needs to be resolved are that we are looking to float a new company free of all legacy liabilities of the erstwhile Jet Airways. We may want to look at partnering with an Indian partner. We also expect clarity on getting back Jet's airport slots, especially the domestic slots and seek further clarity on Heathrow, London, slots," the Synergy Group representative told the tribunal.

Air India receives ₹500-cr guarantee for fundraising

PRESS TRUST OF INDIA

New Delhi, 20 December

The government has given a ₹500-crore guarantee to cash-starved Air India, which will help it secure fresh funds for operational requirements, a senior airline official said.

Striving to keep afloat because of liquidity issues, the loss-making carrier had last week sought a ₹2,400-crore guarantee from the government for raising funds to mainly meet its operational requirements.

"The government has extended ₹500 crore guarantee to Air India. It was provided the airline on Wednesday," the official said. The sovereign guarantee will help the airline secure some funds, a part of which has already been drawn, he said adding, "Air India is already in discussions with the banks." The amount of ₹2,400 crore is part of the ₹7,600-crore guarantee that was to be provided to the airline in the current fiscal year.

Air India's net loss in 2018-19 is provisionally estimated to



LOSS AFTER TAX

Standalone figures in ₹ cr

FY14	FY15	FY16	FY17	FY18
-6,280	-5,860	-3,837	-6,282	-5,338

Source: Capitaline
Compiled by BS Research Bureau

be ₹8,556.35 crore.

Last month, Minister of State for Civil Aviation Hardeep Singh Puri informed Parliament that Air India will have to shut business if it is not privatised. The Air India Specific Alternative Mechanism has approved re-initiation of process for the the government's 100 per cent stake sale in Air India.

With inputs from Shine Jacob