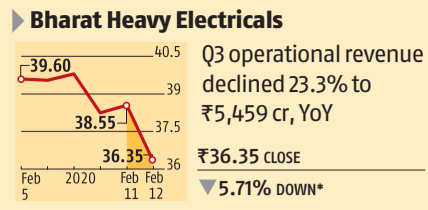
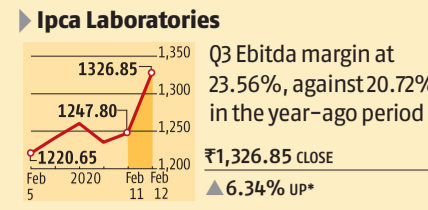
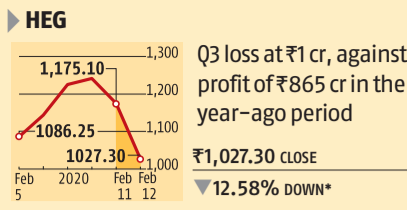
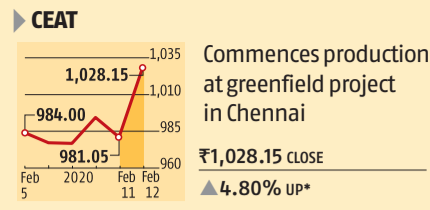
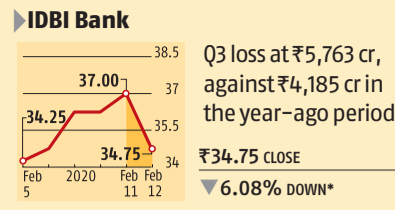


STOCKS IN THE NEWS



IN BRIEF

Airtel plans to raise another \$250 million through bonds

Bharti Airtel on Wednesday said its wholly-owned subsidiary Network i2i plans to raise up to \$250 million (around ₹1,780 crore) via perpetual bonds. This amount will be in addition to existing securities of \$750 million (around ₹5,343 crore) that the company has raised recently. Network i2i, a Mauritius-based wholly-owned subsidiary of the company through joint book runners and joint lead managers has approached investors for the proposed additional issuance, the company said in a regulatory filing. PTI

NRC project contract with Assam not renewed: Wipro

Wipro has said its contract with the Assam for the National Register of Citizens (NRC) project was not renewed "upon its expiry in October, 2019", in response to reports that NRC data disappeared from the website because of the cloud storage provided by the IT services firm. BS REPORTER

WhatsApp says it now has 2 million users globally

WhatsApp now has two billion users globally, the company said in a statement on Wednesday. The firm has been under fire lately in India and other parts of the world after it disclosed that an Israeli malware called Pegasus was used to target about 140 users globally. BS REPORTER

USFDA issues two observations to Lupin's MP unit

Drug firm Lupin on Wednesday said the US health regulator has issued two observations after inspection of the company's Madhya Pradesh facility. The inspection of the company's Pithampur Unit-1 facility by the United States Food and Drug Administration (USFDA) has been completed, Lupin said in a filing to BSE. PTI

GitHub sets up unit in India to engage with developers

Microsoft-owned GitHub, the world's largest open source development platform, is setting up India entity in order to better serve the developer community and its own enterprise customers. India is home to its third largest community of developers. BS REPORTER

# DRL to buy Wockhardt's branded biz for ₹1,850 cr

Pharma major expects the acquisition to boost its domestic business

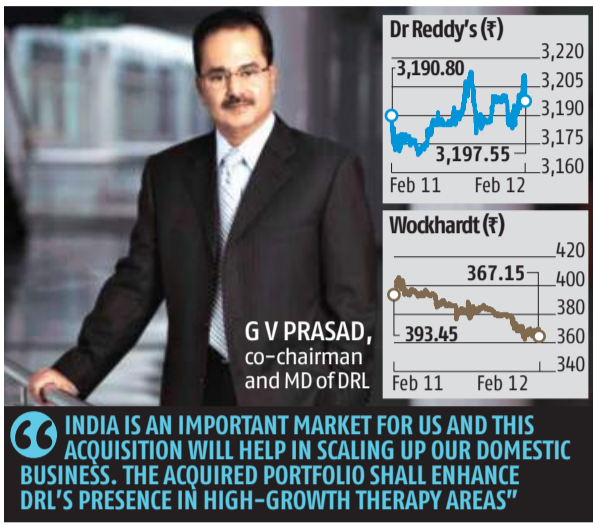
SOHINI DAS & B DASARATH REDDY  
Mumbai/Hyderabad, 12 February

D r Reddy's Laboratories (DRL) has entered into a definitive agreement with Wockhardt to acquire select divisions of its branded generics business in India, Nepal, Sri Lanka, Bhutan and Maldives, and a manufacturing plant for ₹1,850 crore.

The business is valued at 3.8 times the annualised revenue. As a part of the deal, a portfolio of 62 brands in multiple therapy areas such as respiratory, neurology, VMS, dermatology, gastroenterology, pain and vaccines would be transferred to DRL, along with related business assets and liabilities, contracts, permits, intellectual properties, employees, and marketing, sales and distribution of the same.

Wockhardt's plant in Baddi, Himachal Pradesh, is also being sold to DRL, together with entire manpower of the plant.

DRL sees the acquisition as a strategic move to boost its domestic business. "India is an important market for us, and this acquisition will help in considerably scaling-up our domestic business. The



INDIA IS AN IMPORTANT MARKET FOR US AND THIS ACQUISITION WILL HELP IN SCALING UP OUR DOMESTIC BUSINESS. THE ACQUIRED PORTFOLIO SHALL ENHANCE DRL'S PRESENCE IN HIGH-GROWTH THERAPY AREAS"

acquired portfolio shall enhance DRL's presence in the high-growth therapy areas with market leading brands such as Practin, Zedex, Brozedex, Tryptomer and Biovac. We believe the portfolio holds a lot of potential and will get an impetus under DRL," said G V Prasad, co-chairman and managing director of DRL.

The drug maker expects to close the deal in the first quarter of financial year 2020-21. DRL last made India-centric product acquisition in

2015. It had acquired Belgian company UCB's select product portfolio business in India, besides Nepal, Sri Lanka, and Maldives for ₹800 crore.

Wockhardt expects the deal to help it focus on its niche antibiotics portfolio, and infuse liquidity in its existing business.

In FY19, this business contributed around ₹594 crore, or around 28 per cent of the total standalone and 14 per cent of the consolidated revenue. For the nine-month period ended

December 31, the business contributed ₹377 crore, or around 34 per cent of the standalone and 15 per cent of the consolidated revenue from operations, Wockhardt said.

"The intended sale of business portfolio is in line with the company's strategic plan to shift from acute therapeutic areas to more chronic business like anti-diabetic, central nervous system etc and also to its niche antibiotic portfolio of new chemical entities," said Habil Khorakiwala, founder chairman and group chief executive officer, Wockhardt.

"The divestment will also ensure adequate liquidity to bring in robust growth in the chronic domestic branded business, international operations, investments in Biosimilars for the US market, apart from the company's global clinical trials of breakthrough anti-infectives and R&D activities," Khorakiwala added.

For Wockhardt, the deal brings in the much needed liquidity it needs to spruce up its existing business, especially the research and development for its novel antibiotic pipeline.

# IT sector's revenue to grow 7.7% in FY20: Nasscom

Industry body 'cautiously optimistic' on growth in FY21

DEBASIS MOHAPATRA  
Mumbai, 12 February

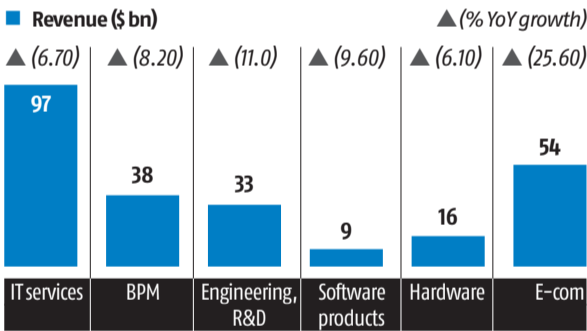
Nasscom on Wednesday said the IT sector was likely to end the current financial year with 7.7 per cent revenue growth to touch the \$191-billion mark. Though this (growth rate) was higher by 160 basis points (bps) over FY19, the industry body said it remained "cautiously optimistic" on growth prospects for the next financial year (FY21).

"Based on what CEOs have said, we are cautiously optimistic," said Keshav Muruges, chairman of Nasscom. He said they would invest mainly in two-three areas, including skill development, which will take care of demand for digital and technology solutions. Muruges, also the CEO of WNS Global Services, added that the industry aspires to reach \$350 billion in revenue by 2025.

However, after missing Nasscom's 2020 collective



SECTOR-WISE PROJECTION



revenue projection of \$200-225 billion, it looks difficult to achieve \$350 billion in revenue, which requires the industry to grow at a compound annual growth rate of close to 13 per cent for the next five years.

Nasscom, which has discontinued the practice of providing annual growth projections citing the changing nature of business, said

the IT services sector is likely to touch revenues of \$97 billion in FY20 — a growth of 6.7 per cent over the last financial year.

Similarly, revenues from the e-commerce sector are expected to be \$54 billion, a rise of 25.6 per cent over the same period last year.

In FY20, exports from the sector are likely to touch \$147 billion — 8.1 per cent

higher over the same period last year. "Despite so much negativity, rising protectionist themes, Brexit, and other headwinds, the industry has delivered well ahead of expectations," said Muruges.

In FY20, the industry body said, net new employees' addition stands at 205,000 — which is 15,000 higher than FY19. This is the highest number of addition in new employees in the last five years.

While in FY17, the industry added 173,000 staffers, the number was 105,000 in FY18 and 190,000 in FY19.

On visa restrictions by the Trump administration, Debjani Ghosh, president of Nasscom, said the government has to change its narrative about the importance of Indian engineers in driving US growth.

"We have to change the narrative and that's our recommendation to the government. The US administration has to realise that 90 per cent of the H1B visas are going to US companies and not Indian ones," said Ghosh.

"High-skill talent mobility is critical for a company's growth and this shouldn't be treated as immigration."

India to remain a stretched society: Chandrasekaran

DEBASIS MOHAPATRA  
Mumbai, 12 February

India will always remain a 'stretched society', with limitations of both infrastructure and skilled manpower that underlines the importance of technology in improving efficiency and creating jobs, said Tata Sons Chairman N Chandrasekaran.

Addressing the Nasscom Technology and Leadership Forum, the annual flagship event of the IT industry body, Chandrasekaran said the fears of job loss due to artificial intelligence (AI) was a narrative created by the developed economies.

"India forever will remain a stretched society. We should make the most of what we already have. The problem of the country is distinctly different from that of the US, Japan or any other country. We don't have problems with age or numbers, but we lack skill and qualification," said Chandrasekaran.

"Our approach to automation has to be deliberately and distinctly different from the US and other countries. When you look at the developing markets, we have distinctly different characteristics. And, the technology will



"WE DON'T HAVE PROBLEMS WITH AGE OR NUMBERS, BUT WE LACK SKILL & QUALIFICATION"

play out differently (for us)," said the Tata Sons chairman.

With appropriate skilling, India can contribute more to its GDP by converting informal jobs into formal ones.

"Indian workforce is overwhelmingly informal. It does not have consistent wages, contract or other safety nets. If informal jobs become formal, it will be a huge advantage for the economy."

# The Maharaja's jewels to be housed in National Museum

Al's collection of art and memorabilia goes on display

PAVAN LALL  
Mumbai, 12 February

Debt-ridden Air India, which is to go under the hammer, will see a part of its art and collectibles showcased at the Nehru Centre in Mumbai from Thursday.

The exhibition titled *Maharaja of the Skies - An Indian Heritage* is being organised by the Society for Culture and Environment.

The collectibles consist of hundreds of memorabilia that mostly include reproductions but also a few originals from Air India, the organisers said.

The originals include a book with JRD Tata's flight records, Royal Doulton porcelain plates with the carrier's logo, flight recorders and scale model aeroplanes. The reproductions comprise posters and photographs of calendars, diaries, coasters and paintings.

Air India chairman and man-



aging director Ashwani Lohani told *Business Standard* that earlier plans to house the entire collection of art and collectibles in a new museum built just for it have been shelved.

"Now, the entire collection of art work will be housed at the National Gallery of Modern Art in Delhi in the near future," he said. In other words, divestment or not,

the art and memorabilia will not go on the block.

He went on to add that the exhibition was a powerful reminder of Air India's past glory.

He said, "One cannot but remember what a great culture Air India was imbued with in the past, from having its own glamour and style quotient, to its own engine works."

Despite its troubles, he said, the airline still flies to over 40 international destinations and is operating 450 flights daily.

Air India was also renowned for having a strong culture of investing in art to promote the airline with department budgets and personnel specifically dedicated to achieve that.

Its art department had patron-

ised young talent who went on to become established artists and include B. Prabha, whose paintings were first bought by the carrier. The original collection includes six-foot long paintings by MF Husain, and other large works by V S Gaitonde, Anjolie

(Left to right) A collage displaying the attire of Air India's air hostesses; a poster; and an original Royal Doulton Style Award

PHOTOS: KAMLESH PEDNEKAR



Ela Menon, Jitish Kalliat and Sakti Barman. It also includes textiles, sculptures, wooden artefacts and even ashtray sculptures that were created by artist Salvador Dali. The collection also includes diaries, posters and sketches by Goan artist Mario Miranda.

How many pieces does the collection consist of? While speculation in public domain has ranged from estimates of 10,000 to 40,000 pieces, it's not known as to how many exactly there are in the catalog of collectibles.

Air India officials declined to offer specifics, saying even letterheads, annual diaries and coasters were collectibles and hence the number was high but not available off-hand.

Dinesh Vazirani, CEO of art gallery and auction house Saffronart, said Air India's collections happened over decades and they were not just in India but in

all of its offices internationally as well. "The collection, which is a store of Indian heritage and history, would be best served by being housed in museums across the country, given that it is after all government property," he added.

Is there a valuation to the entire collection? Experts say it's hard to narrow it down to a single number because of the diversity of artefacts in the portfolio.

"The original posters of Air India itself sell for between ₹50,000 and ₹60,000 each which is high for just a poster," said Ashvin Rajagopalan, director of the Piramal Art Foundation.

"The original masters like Husain and Raza are in the crores," he added. The entire collection is hard to zero down in value but its scope and expanse are legendary, he further said.

Meera Dass, the official who curated the exhibition, said the point of the display was to encourage a look-back at the history of India's only state-owned airline whose mascot is depicted by a turbaned Maharaja. It carried a tagline "The airline that treats you like a Maharaja."