

IN BRIEF

Indus merger nod: Bharti Infratel board set to meet tomorrow



Bharti Infratel on Saturday said its board will meet on February 24 to chalk out the future course of action following the telecom department's approval for merger with Indus Towers. The combination of Bharti Infratel and Indus Towers will create a pan-India tower company with over 163,000 towers, operating across all 22 telecom service areas. The combined entity will be the largest tower company in the world outside China. "...FDI approval for merger of Indus Towers with Bharti Infratel has been received late evening yesterday," Bharti Infratel said in a regulatory filing. It added that the board of directors of the company will meet on February 24 to "take stock and decide the future course of action". Bharti Infratel and Vodafone hold 42 per cent stake each in Indus. Vodafone Idea holds 11.15 per cent stake in the tower firm. **PTI**

DBL executes EPC agreement with AAI to construct airport



Dilip Buildcon on Saturday said it has executed an EPC (engineering, procurement and construction) agreement for construction of a new greenfield airport at Rajkot in Gujarat. "...the company has executed an EPC agreement with the Airport Authority of India for an EPC project in the state of Gujarat," Dilip Buildcon said in a BSE filing. The project cost is ₹570.06 crore and completion period is 30 months, it added. **PTI**

Migsun to invest ₹55 cr for hospital in Ghaziabad

Reality firm Migsun Group on Saturday said it is entering the health segment by building a hospital in Ghaziabad at an investment of ₹55 crore. The multi-specialty hospital is under construction at Raj Nagar Extension in Ghaziabad, Uttar Pradesh. The structure work of the proposed hospital is almost complete and the project will be operational this year, the company said in a statement. Migsun is currently developing more than 10 projects. **PTI**

Fox, NBCUniversal in talks to acquire streaming platforms



Fox and NBCUniversal are looking to buy ad-supported streaming platforms meant to lure customers who don't want to spend money on subscriptions, the *Wall Street Journal* reported on Friday. Fox, the Murdoch-family controlled media group which owns the Fox News Channel, has said it would be willing to shell out some \$500 million for Tubi, a streaming platform which airs mostly older movies and TV shows, the report said. A tie-up could help expand the footprint of Fox, which last year sold much of its film and television assets to Disney. **PTI**

UPL Corp's overseas arm raises \$400 mn through bonds

Agro-chemical firm UPL on Saturday said its Mauritian subsidiary has raised \$400 million (around ₹2,840 crore) by issuing bonds, and the amount will be used to retire existing debt. "UPL Corporation, Mauritius, the subsidiary of the company, successfully completed issuance of USD denominated perpetual subordinated capital securities (bonds) of \$400 million at interest coupon rate of 5.25 per cent per annum," the company said in a regulatory filing. The proceeds would be used to repay the existing debt of UPL Corporation, it added. **PTI**

Wai Wai noodles targets ₹1,500 cr revenue in India

Nepalese brand has set up its new plant in Rajasthan

SAMREEN AHMAD
Bengaluru, 22 February

Nepal-based fast-moving consumer goods (FMCG) conglomerate CG group, which sells Wai Wai instant noodles in India, is targeting a turnover of ₹1,500 crore in the country by 2022. The company is expecting to close the current financial year with a revenue of ₹820 crore in the India region.



CG group is targeting ₹100 crore of revenue from the southern region by 2022 from the current ₹40 crore

To further fuel its growth, the group is looking at expanding deeper into the markets in South and West India, and has set up a new plant in Rajasthan towards this end. The plant, its seventh in the country, has been set up with an investment of ₹25 crore.

"We have significant presence in North India with 60 per cent market share in the Northeast region. But we have limited visibility in southern and western markets with huge scope for expansion," said Parvez R Vandrewala, sales head for South and West India, CG Foods.

Of the six other plants it has in India, three are in Northeastern states, one each

in Uttarakhand, Bihar and Andhra Pradesh. These plants have 10 manufacturing lines that are running at a capacity of 95 per cent. CG group is targeting ₹100 crore of revenue from the southern region by 2022 from the current ₹40 crore.

The group, which entered India three decades ago via the Northeast, is also planning to diversify into other segments like ketchups and snacks such as cheese balls and bhujia. "We are also planning to launch several other flavours in India that are

present in other international markets, such as shrimp and duck flavours," said Vandrewala. The instant noodles market in India is expected to grow at a compound annual growth rate of 5.6 per cent till 2023. In this segment, Wai Wai competes with Nestlé's Maggi and ITC Sunfeast's Yippee, and it has a market share of around 17 per cent, the third biggest share. However, Wai Wai is the only product that can be eaten directly from the packet without cooking.

UP may supply khadi to Raymond

VIRENDRA SINGH RAWAT
Lucknow, 22 February

The Uttar Pradesh government may soon sign an agreement with textile major Raymond to supply the indigenous khadi fabric to the firm.

The UP Khadi Board has provided fabric samples to Raymond, which is expected to procure 200,000 metres of UP khadi annually.

"We will start the supply of khadi to Raymond as soon as the samples are approved," Principal Secretary of Khadi & Village Industries Board Navneet Sahgal, who is also the state trade facilitation commissioner, told *Business Standard* in Lucknow.

He said the khadi to be supplied to Raymond would be manufactured at the UP Khadi production centres situated at different places in the state. Besides, the UP Khadi Board is looking to supply uniforms to the students of UP government-run primary schools made from fabric blended with cotton and khadi. At present, nearly 18 million students are enrolled in the government-run schools, thereby requiring 36 million pairs of uniforms every year.

In February 2018, the state had signed a MoU with e-commerce giant Amazon for promoting UP's Khadi on its online marketplace, apart from training entrepreneurs. Now, the government is looking to firm up similar alliances with other e-commerce majors, including Alibaba and Flipkart. The state had earlier proposed to set up khadi parks. At the UP Investors Summit 2018, the state had signed MoUs to the tune of ₹30,000 crore with Indian and foreign companies across the entire khadi value chain.

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Biocon gets three USFDA observations for its facility in Malaysia

PRESS TRUST OF INDIA
New Delhi, 22 February

Biocon on Saturday said it received three observations from the US health regulator following inspection of its insulin manufacturing facility in Malaysia.

The US Food and Drug Administration (USFDA) had conducted a pre-approval inspection of Biocon's subsidiary Biocon Sdn Bhd's manufacturing facility in Malaysia for Insulin Glargine between February 10 and 21.

"At the conclusion of the inspection, the agency issued a Form 483 with three observations which we believe are procedural in nature," a Biocon spokesperson said in a regulatory filing.

According to the USFDA, Form 483 is issued to a firm at the conclusion of an inspection when investigators have observed any conditions that in their judgment may constitute violations of the Food Drug and Cosmetic Act and related Acts.

"We will respond to the FDA with an appropriate Corrective and Preventive Action Plan (CAPA) and we are confident of addressing these observations expeditiously," the company added.

The FDA has set a target action date for its Insulin Glargine application in June 2020, it said.

"We believe the outcome of this inspection does not in any way impact the commercialisation plans of Insulin Glargine in the US. Biocon Biologics is committed to global standards of quality and compliance," the spokesperson said.



Inventus Capital bets on start-ups in hardware



SAMREEN AHMAD
Bengaluru, 22 February

Technology-focused venture capital (VC) fund Inventus Capital Partners, which earlier invested in software-based companies, is now exploring hardware start-ups. The Silicon Valley- and Bengaluru-based early-stage fund has placed bets on BluArmor, which manufactures tech-laden smart motorcycle helmets.

Inventus, along with venture fund Kitven, had led a \$1.4-million Series A round in the start-up last month.

"Traditionally, we used to invest predominantly in internet-based companies and stayed away from hardware as India did not have the strength in the segment. Also hardware could be copied by Chinese start-ups as they had stronger manufacturing capabilities. So, most of the VCs stayed away from them," said Rutvik Doshi, managing director, Inventus Capital Partners.

"But in the last three-four years, the way technologies have evolved, hardware is no longer a standalone... it plays along with software," Doshi added.

The company's other two India managing partners are Samir Kumar and Parag Dhol. The India unit of the early-stage fund, which has invested in 27 start-ups, closed its third fund in October last year at ₹370 crore. From this corpus, the firm is looking to invest in 14-15 start-ups, including five this year. While the firm is looking at investing anywhere

FACTBOX

Fund I
\$51.8 million
10 investments; 5 exits

Fund II
\$50 million
India-dedicated fund;
12 investments; 3 exits

Fund III (ongoing)
\$51 million
5 investments

Source: Crunchbase

between ₹5 crore and ₹15 crore in each, the funding amount can go up to ₹40 crore depending on the performance of the start-up. A fourth fund could be announced by the end of next year.

From Inventus III, the VC firm has made five bets so far, including BluArmor, enterprise start-up Worxogo, augmented reality-based toy venture PlayShifu, local discovery platform LBB, and blockchain-based start-up KoineArth.

The firm had made three successful exits last December, including PolicyBazaar, Aasaanjobs and Funtoo. Inventus Capital's partial stake sale in PolicyBazaar to SoftBank earned the company a 15-times return at over ₹170 crore. It had made a 22-times return on investment when it sold its stake in RedBus to South African media conglomerate Naspers' Indian arm in 2013, said Doshi.

Cognizant board to take up biz realignment on Monday

DEBASIS MOHAPATRA & GIREEESH BABU
Bengaluru/Chennai, 22 February

The board of directors at IT services major Cognizant is meeting in Chennai on Monday, the Nasdaq-listed company's second such meet in India since Brian Humphries took over as the chief executive officer and managing director last year.

According to sources in the know, the board is likely to deliberate on a range of issues including the business realignment efforts taken up under the new CEO, and also issues pertaining to delivery capabilities in India.

"The board of Cognizant usually meets up once or twice in India every year as this is one of the important delivery bases for the company," a person said. However, it was not clear whether cofounder Francisco D'Souza, who



Cognizant currently employs around 290,000 people globally. Of this, nearly 200,000 are in India

recently announced his decision to step down from the board from March 31, would attend the meet.

Cognizant, which has its roots in Chennai, currently employs around 290,000 people globally. Of this, around 200,000 are in India.

Sources said that the US-

headquartered company, which has shown signs of a turnaround in its fourth quarter performance, is also making some changes in its delivery model to garner more digital revenues.

As part of its 'fit for growth' plan, Cognizant is currently pursuing various cost-optimisation measures through which it hopes to save around \$150-\$200 million by the end of 2020. The IT services firm is also rationalising its employee pyramid by hiring more fresh graduates. It had earlier said that the company would remove 10,000-12,000 mid- to senior-level staffers and redeploy about 5,000 of those impacted.

Sources also said that the board is likely to deliberate on the alternate revenue streams that can be explored to compensate for the loss of revenues arising from the exit of content moderation business.

Indians use big cars, it's unfortunate Nano didn't do well: M&M's Goenka

PRESS TRUST OF INDIA
Mumbai, 22 February

Indians have a tendency of using cars that are too big for moving a single person, and the fate met by Tata Nano was unfortunate, Mahindra and Mahindra Managing Director Pawan Goenka said on Saturday.

He also conceded that the automobile industry does add to pollution, and pitched for adopting all the means to reduce it. The Tatas have discontinued Nano after poor response to the 600-cc car that was priced at ₹1 lakh. Many experts have blamed the utilitarian product pitch in a country, where owning a car is seen as a lifestyle necessity, as the reason for failure.

"It is very unfortunate that Nano didn't do very well," Goenka said, speaking at an alumni event organised by his alma mater IIT-Kanpur here.

He said Indians weighing 65-70 kg use an entire 1,500-kg car to travel individually, hinting at the wastage of resources that go into making the big car move.

"We need to have personal transport that is more tuned to moving a single per-

"We need to have personal transport that is more tuned to moving a single person"

PAWAN GOENKA
MD, Mahindra and Mahindra



son," he said. Keeping the same requirement in mind, Goenka said his company has launched a smaller car, which should be hitting the market soon.

He also acknowledged that automobiles at present contribute 7 per cent of the carbon dioxide and a fifth of particulate matter PM 2.5, and every effort should be

made to reduce the impact rather than mounting efforts to say that it is only this much of an impact. India can lead the race on the connected car front due to its prowess on the information technology front, Goenka said.

There is a lot of work happening on the electric vehicles as well, with start-ups dedicated to niche areas like batteries, charging, two-wheelers and three-wheelers mushrooming, he said. India is at present five years behind China when it comes to EVs, but can lead the world on a research and development as well as production front, he noted.

At present, India is trailing the world as a consumer of EVs, he said, adding that only 1,400 cars were bought in 2019, which is a very small percentage of the world demand. The auto sector will have to play a crucial role in the overall economic development of the country, he said.

Goenka said the manufacturing sector has to contribute \$1 trillion if the economy were to be a \$5-trillion GDP and the auto sector will have to grow at a CAGR of 14 per cent for five years.

ITF to focus on 4 core areas to improve biz performance

The Indian Textpreneurs Federation (ITF), an association representing the entire value chain of textile manufacturing in Tamil Nadu, has decided to focus on four core areas to improve the overall business performance of the industry.

These include setting up an advisory cell with industry and external experts to guide members to step into integration, value creation through sustainability as competitive advantage and empowering people and unleashing their power. An ITCRISIL research report on financial performance of the textile sector shows a clear trend of differentiation in margins between standalone spinning (Vs) semi-integrated and integrated firms. **PTI**

Titan's Fastrack to foray into smart eyewear segment

Called Fastrack Vibe, the sunglasses will be priced between ₹3,000 and ₹4,000

SAMREEN AHMAD
Bengaluru, 22 February

Three years after foraying into the smart wearables segment with Fastrack Reflex, Titan's subsidiary Fastrack is set to enter the smart eyewear market. According to sources, the Bengaluru-headquartered company is going to launch smart audio sunglasses by the end of next month.

These eyewear will have inbuilt Bluetooth speakers through which a user would be able to manage calls and music on the go. Called Fastrack Vibe, the product will be available in two variants.

An email sent to Titan remained unanswered. "There are several smart eyewear players in the market but the USP of this product will be its afford-

able price point which is between ₹3,000 and ₹4,000," said the source. The Bose Frames audio sunglasses which were launched in India in June last year carry a price tag of ₹21,900.

According to experts, Titan has done well in smart wearables positioning itself as one of the top players in the segment. Its brands have high recall especially Fastrack which is India's largest youth brand.

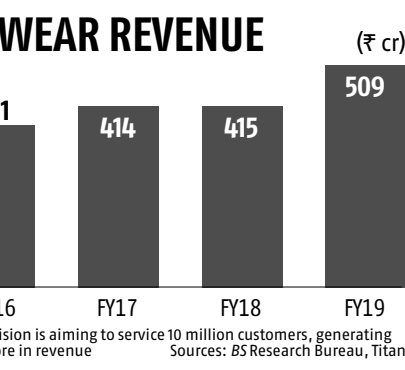
The jewellery-to-watches maker has two in-house sunglasses brands — Titan glares and Fastrack sunglasses. "This new category will help customers to listen to music, connect calls and navigate. However, this being a new segment, a lot of ad-spend would be required to create the category," said Abneesh Roy, research analyst at Edelweiss Securities.



Last year in October, Titan had brought Skyfly Mutrics Smart eye wear to India which had features such as Qualcomm Bluetooth 5.0 and an eight hour playtime. It also has an in-built mic to enable users to access Siri and Google Assistant and answer calls on the go. However, with the Fastrack

offering, the Bengaluru-headquartered company will be rolling out an in-house built smart eyewear, for the first time in the market.

Launched in 1998, Fastrack retails across the nation through 180 exclusive stores in over 80 cities as well as authorised multi-brand outlets and online



portals. The company has four variants of smart wearables under the Fastrack brand, namely Reflex, Reflex 2.0, Reflex Wav and Beat. It came up with the first gesture controlled band in the world with Fastrack Reflex Wav. According to the International Data

Corporation, India is the third largest market for smart wearables after the US and China. Hence, Titan has been focusing on the smart wearables category over the last few years and has come up with 13 smart products so far. It recently acquired patented technology in gesture control from Hyderabad-based start-up HUG Innovations and has also hired its entire 23-member team to build in-house technology for their wearables.

Titan's watches and wearables growth for December quarter was flat compared to previous year as market for watches itself is estimated to have declined by around 4 per cent due to poor customer sentiment which led to primary sales to trade and ecommerce channels declining sharply. "However, our own retail stores (World of Titan, Fastrack and Helios) grew quite well despite the weakness in the market," said the company.