

Novartis India Strikes Large Office Space Deal in Cyberabad

SOBIA KHAN & AKANKSHA PRASAD
BANGALORE

Pharmaceutical firm Novartis has picked up 8.7 lakh square feet of office space in Hyderabad in a bid to consolidate its operations in the city.

"The new office space will have seating capacity for more than 8,000 employees and is the largest in the past five years," said a property broker in Hyderabad, who did not wish to be identified.

The Indian arm of the Switzerland-based pharmaceutical company, Novartis inaugurated its first technology centre in 2007 and has over 2,300 employees working on various functions like drug development, medical operations, commercial operations and finance, technology support.

"Our associates are currently located at different sites in Hyderabad. This will enable us to consolidate our operations and provide for future requirements," a company spokesperson said in an email. Novartis is present in India through Novartis India, listed on the BSE, and its wholly-owned subsidiaries Novartis Healthcare, Sandoz Private and Chiron Behring Vaccines.

Hyderabad has emerged as a hub for many companies, including Microsoft, Facebook, Google and India's IT firms Tech Mahindra, Infosys and Tata Consultancy Services.

Around 3.9 million square feet additional office space was absorbed in Hyderabad last year, about 32% higher than in 2012. However, overall vacancy in the first three quarters remained more or less stable at around 17.5%, Cushman & Wakefield, an international real estate property consultancy, said in a recent report.

"Absorption in 2014 is expected to remain moderate due to current political scenario," the report said. Some of the key leasing in the last few months included CSSI, People Tech, BNP Paribas and Infotech Technologies.

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