

Wipro Bags ₹2,400-Cr Takeda Pharma Deal

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Wipro has won an over \$400 million (₹2,400 crore) deal from Takeda Pharma under which the former will develop and support IT requirements of the largest Japanese pharmaceutical company.

The multi-year deal, described as a "strategic partnership" to provide IT infrastructure to the pharma firm, will add to Wipro's revenues immediately, said a senior executive. "We are thrilled to partner with Takeda and it has many firsts for the company," said Sangita Singh, chief executive of the Healthcare and Life Science Business Unit at Wipro. "From Continental Europe and Japan standpoint, it is the largest," said Sangita. The company would own the infrastructure and provide technology and people to Takeda.

Wipro competed with global MNCs, including IBM and Accenture, and homegrown IT services firms like TCS, to win the deal.

The deal would give a boost to Wipro's Healthcare and Life Sciences unit which accounts for 10.3% of the company's \$6.6-billion revenues from IT services. For the quarter ended March 2014, the healthcare and life sciences unit grew 14.3%.

Globally healthcare majors, including Pfizer and Johnson & Johnson, are some of the biggest customers of Indian's IT services firms, which had a good run over the past 12 months. While Infosys' healthcare unit saw a 4.7% growth, the healthcare and life sciences unit at TCS expanded 5.8%. However, Cognizant's



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SANGITA SINGH
CEO, Healthcare and Life
Science Business Unit at Wipro

healthcare unit expects growth in its US healthcare business to remain slow this quarter, hurt by lower spending by customers who are adjusting to healthcare reforms. Wipro's major deal win comes in a sector that is recognised as "domain intensive business" and comes at a time when pharma firms are reeling under cost pressure.

"Most drug companies are facing huge patent risks," said the head of a healthcare practice at an IT services firm. "Once a drug goes off patent, it loses 90% of its revenues. So, there is lot of cost pressure. This means opportunities for firms like us to help them save on costs," said the executive.

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Miscellaneous.