

Wipro's consumer division scouts for acquisitions in developing countries

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Wipro Consumer Care and Lighting is scouting for personal and home care acquisitions in the Middle East, Indonesia, Vietnam, China and India, chief executive officer Vineet Agrawal said.

The consumer care unit of Wipro Ltd making Santoor soaps and Yardley fragrances started as an oil crushing unity in the 1940s, and now earns more than half of its revenues from international operations.

"We are looking at acquisition in India and other developing markets in the spaces of home care and personal care," Agrawal told *Mint*. Wipro Consumer bought Singapore's Unza Holdings Ltd in 2007; Yardley's India and Middle East business in 2009, and its UK and Europe business in 2012. In 2012, it acquired Sing-

Wipro's acquisitive growth strategy

▶ Over **50%** of revenues from international operations

▶ Acquired Singapore's Unza Holdings Ltd in 2007

▶ Acquired Yardley's India and Middle East business in 2009 and its UK and Europe business in 2012

▶ Acquired Singaporean skincare company LD Waxson's group in 2012

▶ Acquired China-based Zhongshan Ma Er. in 2016

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—Vineet Agrawal, Wipro Consumer's CEO



In financial year 2017-18, Wipro Consumer crossed \$1 billion in revenues for the first time

aporean skincare company LD Waxson's group, and in 2016, bought China-based Zhongshan Ma Er. In India, it has bought brands like Chandrika, Glucovita, Aramusk, Cleanray and North-West Switches. In November, it bought a significant minority stake in online consumer products firm Happily Unmarried Marketing Pvt. Ltd known for its Ustraa and Happily Unmarried range of

products.

Agrawal said in 2017-18, Wipro Consumer crossed \$1 billion in revenue for the first time. The Rs6,600 crore revenue in 2017-18 compares with Rs59,402.30 crore (\$911 million) the previous fiscal year. The like-to-like growth is 13% when adjusted for the goods and service tax which was introduced during the last fiscal.

With domestic and international operations both doing well, operating profit margins too expanded by close to a percentage point, said Agrawal.

Globally, mergers and acquisitions are expected to pick up in 2018 after a slight dip in deal values in the last year, according to a 2018 consumer and retail M&A report by consulting firm ATKearney.

Volume growth, a measure used to check whether people are buying more units or even whether more people are buying the brand registered a 10% growth during the fourth quarter of the fiscal year for India. For the full year, it was higher at 12%, said Agrawal. "Overall demand is not bad across India – urban and rural. It's not the best of times nor the worst of times," said Agrawal. However, farmer distress is a reality in states like Maharashtra and Telangana, he added.