would rise to 25,000 jobs by 2020.

Wipro shockwaves buffet Australia

Paul Smith

Australian customers of Indian IT outsourcing firm Wipro are being advised not to panic, after news emerged late on Monday that it had been barred from working for the World Bank due to improper practices.

The news was another blow to the Indian technology outsourcing sector in a turbulent week following the Satyam scandal. Satyam fabricated $US1 billion ($1.4 billion) of assets.

Outsourcing experts said customers should not be concerned by comparisons with Satyam, which was also barred by the World Bank shortly before the storm blew up.

The ban on Wipro has been in place for 18 months, but has been disclosed by the company as it sought to manage any bad publicity rather than risk being swept up in the maelstrom surrounding Satyam.

Local Wipro customers include Optus, Australia and New Zealand Banking Group, Axa and General Motors Holden. Last November, Wipro was announced as the systems integrator for Origin Energy's multimillion-dollar SAP project.

According to a statement on its website, Wipro was made ineligible to contest contracts with the bank until 2011 after it offered World Bank employees the chance to participate in a program to buy American depository shares in an oversubscribed initial public offering. The offer was made through its chief information officer and a senior staff member who then directed the offer to members of their family and friends.

Wipro chairman Azim Premji. The company could suffer locally as a result of being blacklisted by the World Bank. Photo: JAMES DAVIES

"I am not sure that this is a material issue at this stage," the founder and director of Swamy & Associates, Sri Annaswamy, said. "Wipro, and especially its chairman, Azim Premji, has a very fierce reputation for operating in a straightforward and above-board fashion for several decades

"They are a very focused organisation, rather than the family conglomerate type of business that Satyam is, which is what led to the serious corporate governance lapses at Satyam."

An adviser and consultant at Intelligent Business Research Services, Rob Mackinnon, said Wipro would suffer locally as a result of its actions at the World Bank. He said Wipro and other Indian outsourcers risked being tarred with the same brush as Satyam and would face greater scrutiny of their financial status and viability when bidding for new work.

Incentives such as those given to World Bank employees "create shockwaves with procurement professionals, especially those in the public sector who have the highest of ethical standards to maintain, and will lead to careful consideration, if any consideration is now given to them, at contract renewal time," Mr Mackinnon said.

In a statement, Wipro said that, to date, its revenue from the World Bank had been insignificant and that its inability to get future business from the organisation would not adversely affect its bottom line and fulfilment of other contracts.

In the last fiscal year, Wipro gained nearly 200 customers, and it has been developing products alongside the likes of Oracle and Hewlett-Packard in areas such as asset and identity management.

Fast facts

Satyam rebuilds

Restoring the confidence of customers, employees, suppliers and investors is top of the agenda for disgraced Indian outsourcer Satyam. A new chairman will be appointed once its revamped board is finalised, and an independent accounting firm will restate financials and announce third-quarter results. Satyam shares surged 44.2 per cent following speculation that the new board would draw up a rescue plan and hopes the government may provide financial aid to safeguard 53,000 jobs. **Paul Smith**

Manhattan moves to 90pc

The private Manhattan Software group announced yesterday it had acquired more than 90 per cent of software maker MYOB, triggering the compulsory acquisition of outstanding shares and a 10¢ increase in the offer price to $1.04 a share. Franking credits and a special dividend meant shareholders would in effect receive $1.1564 a share, Manhattan said in its bid statement. MYOB is expected to delist from the Australian Stock Exchange by mid-February.

Chris Jenkins

SAI to buy Espreon

Information services and training company SAI Global has agreed to buy financial services provider Espreon for as much as $53.9 million as it aims to diversify its property transaction business. Shares in SAI gained 8¢, or 3.2 per cent, to $2.58 and Espreon surged 37 per cent, or 13¢, to 48¢ at the close of trade yesterday. **AAP**

Canberra widens net for cyber security chief

Michael Crawford

The federal government is likely to target the commercial sector as it searches for a chief information

national security review, conducted by the Attorney-General's Department from July to October last year. The review asked for written sub-

the Australian Federal Police," the spokeswoman said. "However, relevant policy, ICT [information and communication technology] systems

down barriers to cross-agency, law enforcement and private sector information sharing.

The new CIO will develop and

government would have to target the commercial sector to get someone with the necessary experience.

But he added that the