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Secro buys BPO company Intelnet for ₹ 2,887 crore

BANGALORE: The UK-based Serco Plc. announced on Tuesday that it has acquired Intelnet, a leading Indian provider of business process outsourcing (BPO) services, for up to £385 million or Rs 2,887 crore.

After the acquisition, Serco will merge its Indian BPO business (Serco BPO) with Intelnet which has clients in the private sector around the world and in the domestic Indian market.

From operations in 34 global delivery centres across seven countries, Intelnet provides a broad range of middle and back office services and has a strong customer base of international organisations, predominantly across the financial services, travel, healthcare and telecom sectors, the company

said. "This acquisition is in line with Serco's strategy which is focused on driving organic growth, supplemented by strategic acquisitions of skills and capabilities to enter new markets and sectors where we see strong opportunities to enhance our growth and margins," Serco Chief Executive Chris Hyman said.

Intelnet, a £170m or Rs 1,275 crore company was originally founded in 2001 as a joint venture between TCS and HDFC.

In 2007 a management buy-out was completed, resulting in the business being majority owned by PE investor Blackstone Group, together with Barclays, HDFC and Intelnet's management team. According

to the industry body Nasscom, Intelnet ranks amongst the top BPO exporters and the leading supplier in the domestic Indian market.

Said Intelnet Global Services CEO Susir Kumar. "Becoming part of Serco will propel us to our next phase of growth, by helping us to address a wider market and to provide more end-to-end solutions."

Around three-quarters of Intelnet's revenue is generated from international BPO, while the balance comes from domestic Indian business. Intelnet has an order book of around £500m over the next five years, CEO Susir Kumar said.

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