

ORG plans subsidiaries

In four years time ORG has grown from Rs 25 crore company to Rs 315 crore. Over the next year and a half, the company plans to set up subsidiaries for software and content space through acquisitions, and expand satellite communication business, says Ajoy Khandheria, MD & CEO, ORG Informatics Ltd.

Please tell us something about your company?

ORG Informatics Ltd was founded in 1976 by Dr Vikram Sarabhai. The company delivers VAS, Billing & OSS and content to its telecom customers, has practice in Satellite Communication & Broadcast and develops software products for Telecom and Banking services. ORG has shareholding from Global Asia Partners, a US based Venture Capital firm, and is listed on Luxembourg and Indian Stock Exchanges.

How have you increased the revenues of the company to over ten times in about four years? What are your future plans?

We invested in the company. We became the largest single shareholders in the company and we also brought management team with us. From small enterprise customers we started looking at big telecom service providers. Then we switched from pure domestic to domestic & international. We are successfully growing in Africa, Middle East, India and now Europe.

Four and half years ago it was Rs 25 crore company and last year it has achieved Rs 315 crore, that is more than twelve times. Our plans are quite extensive. We have grown the company from providing billing solutions to satellite communication. But our plan for the next year and half is to spring out other 3-4 subsidiaries. In February this year we bought a Bangalore based small software company. Couple of months ago we bought a satellite communication company in Belgium. We are springing out a subsidiary in telematics. We will also spring out a subsidiary in the content space. We have 600 people with twelve offices in India and several other offices in Kabul, Dubai, Singapore, Belgium, etc.

Please tell us something about the Bangalore based company that you acquired?

The company was Unified Technology and its branding was Tech Unified. This company has two types of software. One is related to banking and financial, which has been installed in about 13 Banks in Saudi. Second is middleware being used for example in call centre applications, and customer provisioning system in telecom. We are now able to automatically provision various services whether it is call waiting, and voice mail, etc. We have fully deployed systems in Saudi Telecom in Saudi.

How will takeover of a Belgian company improve your top line?

We have bought the satellite broadcast and services business including the TV and Telecoms Teleport assets of Belgacom, Belgium's national telco. Post acquisition, ORG will be in a position to address various satellite based solutions including broadcasting across Europe, Middle East and Africa, voice over IP (VoIP), satellite monitoring, etc. ORG intends on providing a low cost access to the South Asian Content Providers across Europe, to over 1.5 million DTH households from the region. This should open up new revenue opportunities for all Indian and other South Asian broadcasters. Belgacom's satellite business will also provide a footprint in Europe for ORG's IT and Telecom products and Services. From the time November 2007 when we have taken over, we should do 20 million euros which is about 30 million dollar in the first year.

Who are your main clients in India?

The top most is MTNL, the second



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MD & CEO
ORG Informatics Ltd

largest is BSNL and then we have got TCIL, Aircel, Airtel and other operators. Then we have got some small e-Governance projects in various governments - Rajasthan, Assam, Meghalaya, etc.

What kind of business segments do you have in India?

We have five primary business segments in India. They are: Billing & OSS turnkey solutions, VSAT based satellite communications, e-Governance, Value Added Services, and Vehicle tracking & Logistic Management.

Please give us the segment wise revenues?

Billing & OSS is the largest. Next year satellite communication will become the largest because of Belgium operations, then billing will be the second largest.

What kind of new businesses are you looking at in India?

In India we are looking at state governments, BSNL/MTNL and we are looking at partnering with companies like Wipro for the private business. Because the private organizations like IBM are giving large contracts to them. We are also into Defence segment.

What kind of revenue projections do you foresee?

We will continue to have year-on-year growth of 40-50 per cent. Currently the strength of the company is not known to the industry because we are doing 4-5 things and we are only \$100 million company.