

Rolta closing in on two deals

Beryl Menezes • MUMBAI

Rolta, the information technology firm focusing on defence and homeland security, is likely to strike two deals – one an acquisition and the other a partnership – according to sources familiar with the development.

That follows a dozen acquisitions across verticals like IT, defence, geospatial technology since 2007-2008.

Rolta is likely to bag a contract from a UK utility major to manage its IT infrastructure, and also close a deal for an exclusive partnership with the largest geospatial technology company in the world.

These businesses are a ₹50,000 crore + market, according to sources.

Kamal K Singh, chairman and MD of Rolta, refused to comment, saying Rolta doesn't respond to speculation.

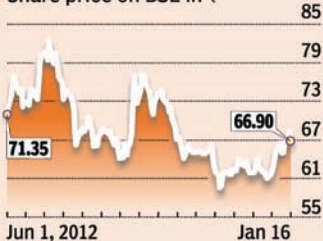
Rolta has added about 6-7% to its topline through past acquisitions.

"We are an IP-driven company, and thus, we typically acquire companies with 25-30 years experience in a particular area, which can help us to increase our IPs, as well as better more competent solutions," he said.

"Typically, we allocate about \$25-50 million in each year's budget for these acquisitions. However, all our acquisitions are usually medium-sized companies, which are easier to

▶ Rolta

Share price on BSE in ₹



integrate with Rolta."

Rolta entered the domain of IT infrastructure with the acquisition of AdvizeX for \$32 million in November.

AdvizeX's domain knowledge played a part in Rolta winning a \$31 million contract earlier this month from Memphis Light, Gas and Water for an Oracle ERP project, Singh said.

Rolta is expecting AdvizeX to add 7-8% to topline its June-year closing.

The next area of focus is on bettering the company's core strength verticals – geospatial technology, defence and homeland security – through joint ventures and exclusive partnerships.

Incidentally, Rolta is one of four Indian companies in the running for a defence department contract for developing a 'Tactical Communication System'.