
eClerx plans to raise Rs 100 cr through IPO

Shivani Shinde / Mumbai September 20, 2007

eClerx, a Mumbai-based knowledge process outsourcing (KPO) firm, is planning to tap the capital market with an initial public offering (IPO) of around Rs 100 crore, thus becoming the first Indian KPO player to do so.

Till date, only IT services firms and a few business process outsourcing (BPO) companies have taken the equity route. eClerx, which has already filed its draft red herring prospectus with the Securities and Exchange Board of India (Sebi), expects to hit the bourses by the year-end.

British Virgin Island-based Burwood Ventures holds around 21 per cent in this company which was founded in 2000. The company declined to divulge further details.

According to sources, eClerx plans to use the funds for future acquisitions, setting up additional facilities, infrastructure investments and to expand the sales team. The company had an estimated turnover of Rs 86 crore at the end of March 31, 2007. It has around 1,000 employees in three centres in Mumbai. A fourth centre occupying 75,000 sq ft is coming up in Pune SEZ. This will have a capacity to accommodate 900 people. The company is also looking at opening additional centres in Chennai, Pune and the National Capital Region.

As a part of its growth strategy, the company will continue to scout for acquisitions and has earmarked about Rs 22 crore for acquisitions. It recently acquired the UK-based Igentica Group, which gave the company a client base in the travel and hospitality verticals.

“The company is looking for acquisitions in the US and the UK. Since eClerx has close to 80 per cent of its business coming from the US, it would like to look at acquisitions that can allow better access to market,” the source added.

Currently, the KPO market in India is pegged at \$70-90 million.

About eClerx Services Pvt. Ltd.

We provide data analytics and customized process solutions to global enterprise clients from our offshore delivery centers in India. Our portfolio of services comprises data analytics, operations management, data audits, metrics management and reporting services. We provide service solutions using a mix of custom designed data processes, delivery teams comprising generalists and domain specialists, and in-house software to automate processes. We currently offer our services to clients in the financial services, retail and manufacturing industries. Some of our largest clients in terms of revenue contribution include leading global corporations with whom we have multi-year partnerships.