

# Intelnet buys US BPO, travel firm for \$75 mn

*Acquires Upstream, Travelport by taking over Blackstone SPV*

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Intelnet Global Services has acquired two global companies by buying Blackstone's Mauritius-based special purpose vehicle (SPV) for around \$75 million (around Rs 300 crore).

While Upstream is a global business process outsourcing (BPO) company, the other company, Travelport ISO is into global travel services.

The SPV was originally formed by Blackstone, a private equity power house, which had acquired these companies.

Upstream, headquartered in the US, employs 1,200 people with 750 seats in the home country and 450 in Mauritius. Travelport ISO, the captive unit of Travelport group, has two offices in India - Delhi and Gurgaon. The management team of both these companies will stay on board.

The double-acquisition will enable Intelnet to expand its delivery footprint from solely offshore centres to an on-shore and near-shore capability based out of the US and Latin America. Apart from access to new geographies, the acquisition will provide multiple language capability portfolio, Spanish and French included.

Susir Kumar, CEO, Intelnet Global Services, said, "This is in line with our multi-pronged growth strategy of organic and inorganic growth. Upstream gives us a firm foothold in the US market and Travelport ISO will enhance our offshore delivery capabilities in India. Travel-

port ISO will also enable us to deliver end-to-end solutions in the travel domain, harnessing its experience in servicing some of the world's largest travel brands."

**While Upstream will give us a firm foothold in the US market, Travelport ISO will enhance our offshore delivery capabilities in India, says Susir Kumar, CEO, Intelnet Global Services**

Intelnet was acquired by Blackstone from HDFC and Barclays in June 2007.

Post acquisition, the travel and hospitality segment will be its second largest vertical followed by the banking and financial segment for Intelnet. Currently, banking and finance account for 60 per cent of its revenues of the BPO.

Kumar also said that the company would leverage the huge portfolio of Blackstone customers for getting business.

For instance, Blackstone acquired Hilton Hotels, which the company thinks is a huge opportunity. "Blackstone has 52 companies in its portfolio. We are in talks with at least 26 companies and all these are looking at offshoring in one way or the other," he added.

These acquisitions follow closely on the heels of the recently set up greenfield delivery centre in the Philippines, another initiative backed by the management and Blackstone in line with the company's growth plans.

Apart from increasing its capacity in the Philippines and Guatemala, Intelnet is also planning to enter new geographies such as Europe and China. After the travel segment, the company now plans to consolidate its retail operations.

Last year, the company's revenue was Rs 400 crore and is expected to touch Rs 650 crore for 2007-08.