

Business Line

Edition : Mumbai

Date : - 1 SEP 2004

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Our Bureau
Chennai, Aug. 31

HELIOS & Matheson Information Technology Ltd (H&M) is on an acquisition spree.

It has acquired the US-based Maruthi Info Tech Inc and the Chennai-based Jayamaruthi Software Systems for \$7.5 million (around Rs 35 crore).

It is also close to acquiring another firm, and plans two more acquisitions next year, the Chennai-based company's Chairman, Mr V. Ramachandran, said.

Jayamaruthi Software is the Indian arm of Maruthi Info Tech providing offshore services to the parent. The two firms operate as separate entities, he told newsmen.

The new acquisitions should take H&M's revenue to about \$100 million (Rs 450 crore) by 2006 from the present \$40 million (Rs 180 crore). The employee strength would also increase to about 2,000 by 2006 from the present 500, he said.

H&M acquired two companies - Laxmi Group in California and System Logic in Bangalore - in 2001 for about \$2 million, he said. The acquisi-



Mr G.K. Muralikrishna (left), Managing Director, Helios & Matheson, with Mr V. Ramachandran, Chairman, at a press conference in Chennai on Tuesday. — Bijoy Ghosh

tion of Maruthi and Jayamaruthi would help H&M to penetrate into healthcare and insurance sectors.

The deal comprises part payment in cash as well as earn out on achieving targeted fi-

ancial milestones over a two-year period ending August 2006, he said.

H&M has centres in US, Chennai, Bangalore and Singapore.

H&M recently announced

bonus shares in the ratio of 1:1. Consequently, the company's paid up share capital will increase to Rs 10 crore from Rs 5 crore, said Mr G.K. Muralikrishna, Managing Director, H&M