

News

Interview

On A
Star Tech Voyage



ATUL HEMANI
CMD

Omnitech InfoSolutions

With its unwavering focus on developing and providing the most cutting-edge solutions in the IT sector, Omnitech InfoSolutions is now working towards establishing a strong presence in global markets

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Omnitech InfoSolutions is an ISO 9001-2000 certified company committed to empowering global business and industry with leading-edge software and world-class support. Since its inception, Omnitech has evolved into a 'Managed Service Provider' par excellence, with competencies related to Business Continuity and Availability. These include Performance Management, Remote Management, Infrastructure Management and Disaster Recovery - not to mention software development and independent software testing. Excerpts from the interview:

How would you rate the performance of Omnitech post-IPO taking into consideration its consistent growth since then?

We are proud to have posted consistent growth. This is a result of the ongoing support from our customers, vendors, investors and Omnicians. We believe that the stage is set for exponential growth in future and this is just a perfect beginning. We have been able to outgrow our organic growth by introducing innovative services/solutions which are apt for the current market situation. Our focus on our technology centre and the shift to an automation-based delivery model from a traditional linear people-based model has helped us to maintain our profitability.

What have been the thrust areas for Omnitech in recent times?

Our leadership in the 'disaster recovery and business continuity' business, capabilities in remote infrastructure management services, innovation in IT resources optimisation solutions and leading edge technology solutions like data center management and cloud computing have been our key thrust areas. Also, we feel that our highly flexible and customised business availability services and virtual CIO offerings will help customers optimise their IT spending and reduce costs during such challenging times. This has enabled us to sign multi-year contracts with many of the existing clients and helped us to break into

new accounts as they see a lot of value additions at reduced costs.

Tell us more about your tie-up with Kaseya.

There is a lot of synergy between Omnitech and Kaseya. Omnitech has been an IMS service provider for more than two decades with good corporate and SME clientele. With a clear focus on the international market Omnitech has been continuously investing into remote infrastructure management technology to maintain global level service quality. Kaseya has a focus on RIM tools and technology and has entered the Indian market with the intention to address the SME market. With its presence in 19 countries Kaseya carries a lot of experience in global delivery practices. Omnitech offers RIMS services built around Kaseya's tools and technologies to its customers for better service levels. We are in active talks with Kaseya to leverage our technological skills and delivery capabilities to explore the possibility of doing business with them in the international arena.

What kind of potential do you see for your Remote Management division?

As per a recent report by NASSCOM-McKinsey titled 'Remote Infrastructure Management Services', with the global CIOs' continued comfort with India as a 'primary' offshore destination, the country

will capture greater than 50 per cent of the world market i.e. USD 13 billion to USD 15 billion in revenue by 2013. We feel that the Indian corporates have also started to look at RIMS over traditional IMS as the Indian markets are maturing and also because there can be a significant reduction in cost and higher service deliverables if services are delivered using RIMS. We consider remote management division as one of the key growth drivers for us.

How are you doing with your Japanese and US counterpart companies?

The mid-size IT companies are facing growth and survival challenges due to the current economic situation. They need to provide cost-effective services and solutions to retain their customers. We work closely with such companies as their partners and create a 'win-win' relationship. Based our early success with IT companies in other parts of the globe we are launching a Partner Program to strengthen our global partnership network. The US market has seen some signs of revival and we are confident that the business dynamics due to this slowdown will help us further to get a strong foothold in the US and the UK markets. Japan being a tough market, the growth there would be challenging.

Your next domestic expansion plans after the world-class Omni Centre in Navi Mumbai...

We have received an exciting response to Omni Center - India's first managed recovery centre at Navi Mumbai. We are coming up with a second disaster recovery center in Hyderabad and it would be operational by mid-August. We would also be coming up with another centre in Gurgaon in the near future.

What kind of funds are you planning to invest on these expansions? How are you going to raise the money?

We plan to invest in the creation of a couple of more recovery centres pan-India as well as in the international market.

We also are actively working to grow inorganically through strategic investments or M&A. We have plans to invest around Rs 50 crore in building these new centres and around Rs 60 crore for inorganic growth. We are exploring various options of raising the funds and will select the most appropriate one based on certain parameters.

Is there a plan for further diversification into other areas?

We would like to create better breadth and higher depth in IT and related areas.



We have been able to get almost 100 per cent of our existing Managed Services Contracts renewed and are also breaking into new accounts through our unique offerings

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We shall continue to invest in technology services based on centres of excellence, tech expertise, experience and highly committed people. We are looking at expanding managed services into areas such as security and cloud computing.

Is there any acquisition plan in the pipeline?

We are looking out for a suitable target in the domestic as well as international markets. We definitely want to expand our geographical presence through an inor-

ganic route and feel that it is of the utmost importance for us to get the perfect fit to draw synergies out of the deals.

Targets set for FY 2009-10...

This year we would grow by 15-20 per cent organically on a conservative estimate and our inorganic growth will further add to it.

What are the challenges that lie ahead for the company?

I think we are at the sweet spot of right size, right team, right goodwill, vast global experience, a good customer base and support from investors and hence the challenges are minimal. The major challenges are scalability and managing sustained growth for the time to come. We are working on the creation of a high profile executive team to build higher competencies through ongoing training for individuals so that they can meet the growing needs of our company. We will continue to invest in innovation, execution, building the company's image and acquiring businesses to fuel sustained growth.

How are you creating value for your investors?

We have posted a growth of 31 per cent in our topline and 29 per cent in our bottomline despite the global slowdown. This in itself is a showcase of our ability, determination and focus to run the business effectively in testing times. We did not pursue our acquisition plans and we feel it was a right decision to hold back at that time, given the economic scenario then. I would like to thank all the investors for showing the confidence in Omnitech and I assure them that we understand the responsibility we have on our shoulders with their hard earned money invested in us. We remain focused and aggressive, yet cautious, and therefore will take the right decisions at the right time so that all the stakeholders benefit from such moves. We look forward for their continued support and trust.