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## **Polaris looking to acquire firms with 500 people**

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Polaris Software Lab, a Chennai-based IT company, has set a process to acquire companies with up to 500 people. It is looking at a customer relationship-oriented company or an account management front-end company, according Mr Arun Jain, Chairman, Polaris.

"We look forward for these two kinds of acquisitions. We are open to it. However, as of now, we do not have any major dialogue going on. We are, as of now, growing organically," he recently told analysts while discussing the company's September quarterly financial results.

With 53 large global banks as customers, Polaris now has the right customer landscape. They constitute close to \$ 35 billion worth of IT spend in the industry. "We have a long way to go to mine these accounts to a significant size and that will be our focus going forward," he said.

According to Mr Arup Gupta, Chief Operating Officer, Polaris, software billing rates have seen fairly good growth during the September quarter. The onsite billing rates average for the US and European regions increased to about \$ 59.5 an hour compared with \$ 57.75 in last quarter.

Mr Jain said for fiscal ending March 2007, the company's capital expenditure would be around Rs 60 crore and "we are likely to contain within Rs 45-50 crore."

Polaris, which provides IT solutions to clients in banking, financial services and insurance sectors, recruited around 600 people (50 per cent freshers from colleges and 50 per cent from industry) during the September quarter in the services business.