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Blackstone co's buyout plans gain momentum

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Kolkata: Having used the downturn to put its house in order, Blackstone Group-controlled CMS Info Systems has now decided to step up the pace on its acquisition efforts.

"We have now started looking at good, niche players in the IT application business in line with our aim to emerge as an end-to-end integrated IT service provider," CMS Info executive vice-chairman & CEO Rajiv Kaul told TOL. "The focus (for acquisitions) is India," he added.

Kaul — a former Microsoft India CEO — also has a stake in CMS Info that was formed by carving out the IT infrastructure management and outsourced business services divisions of CMS Computers. "A lot of people, including bankers, keep approaching us (with offers for prospective buys of IT firms)," Kaul said. "The idea of acquiring some small company in the US or Europe, mainly to bag a customer, does not appeal to us."

However, the CMS Info boss did not specify whether the company has already zeroed in on any target firm or indicate the likely kitty being kept aside for the proposed acquisitions. "Given our background, money should not pose much of a problem," he said.

Kaul said CMS Info has already completed most of its top-level appointments to give shape to its future plans. "We have already hired a new head for the training business and a president for the IT business should come on board next month," he added. The CMS Info CEO said that although the company remains committed to the idea of an IPO in "3-4 years", there are no plans as of now to change the shareholding pattern.