

# Subex presses pause button on acquisition plan

**Balaji Narasimhan**

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Subex Ltd, despite having a string of acquisitions to its credit, has no plans to acquire any company in 2011.

“We want to grow organically right now. Later, we may go in for acquisitions,” said Mr Subash Menon, founder Chairman, Managing Director and CEO, in an interview with *Business Line*.

Even as the company grows organically, Mr Menon is optimistic about the immediate future. “What we have done in the past three years is nothing compared to what we plan to achieve in the next three years,” he says.

As a part of this plan, the company recently hired the services of Dr Hossein Eslambolchi, former Chief Technology Officer and Chief Information Officer of AT &



## **Mr Subash Menon**

T, and chairman of 2020 Venture Partners to advise on strategic matters.

“Dr Eslambolchi comes with tremendous knowledge of the telecom industry from a technology perspective. We have to keep thinking about what the world needs three years from now and with his

help, we can do this.” When asked about long-term plans, Mr Menon said: “We have been around for 10 years and we are now a \$100-million company.” Though the company is emerging from a bad financial phase, Mr Menon is bullish about the future and says Subex will grow at a rate

of around 20 per cent every year for the next 10 years.

One way Subex plans this is by building deeper relationships with customers. “Our average contract size is growing and we plan to get better margins and also grow non-linearly,” he said. The company also wants to widen the gap with its competitors, said Mr Menon.

One way of growing non-linearly is by leveraging intellectual property and patents, but Mr Menon does not want to bet on this. While the company already has eight patents, with more patent-worthy stuff in the pipeline, Mr Menon says you do not plan for patenting. “The question is, is it worth it? Can it be patented? And even if it can be patented, it should give us good benefits as compared to the costs,” he feels.