

## Polaris Software to invest Rs.350 mn for expansion

At a time when the domestic software sector is going slow on hiring of personnel and expansion, the city-based Rs.11-billion Polaris Software Lab is taking a contrarian path.

The company has decided to construct a new 1,500-seat facility at Siruseri near here with an outlay of Rs.350 million.

'Construction activity will start next quarter. We have 10 acres there,' Polaris chairman and managing director Arun Jain told IANS.

Explaining the rationale of expansion when the global financial sector is facing a meltdown, he said: 'The financial sector problem is mainly concentrated in the US. There are over 175 countries in the world. It is time to build capacity to take advantage of the uptime to come soon.'

According to him, the proposed centre will serve the company's retail banking and insurance clients.

'We will go for new hiring as well as redeploy some of our people at the proposed centre,' Jain said.

In [Chennai](#) and its surroundings, Polaris has its retail banking, insurance and testing centres.

Polaris, which last month acquired SEEC Inc, a US-based product and component services company for insurance vertical, is likely to expand insurance operations here.

'It will take a software services company at least a decade to transform into a product company. Today, Polaris has a comprehensive suite of banking software products,' Jain said.

Speaking on the US banking giant Citigroup's investment in Polaris, Jain said: 'Citigroup is a strategic and not a financial investor in Polaris. Citigroup and I embarked on a joint journey and neither of us can disembark midway.'

Citigroup holds 43 percent stake in Polaris through its group company Orbitech Ltd. Polaris had acquired another Citigroup company OrbiTech Solutions in 2002.

According to him, the acquisition got Polaris intellectual property rights for a suite of products and the company made further investments to build a robust range of solutions.

*Venkatachari Jagannathan ( © IANS / India eNews)*