

Quest Global acquires Spanish company

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Bangalore: Product engineering firm Quest Global has acquired Interface, a company in Spain that provides engineering services primarily to the aerospace sector. Quest declined to talk about the deal valuation. It, however, said that Interface has revenue of about \$16 million and 225 employees.

Bangalore-based Quest, ranked by the Black Book of Outsourcing and Zinnov Management Consulting amongst the biggest engineering services outsourcing vendors in the world, had \$114 million in revenue in 2010-11. It has an employee strength of 2,800 (including the Interface acquisition), of which 1,550 are in Asia, most of that in Bangalore, 750 in the US and 500 in Europe.

Late last year, private equity investor Warburg Pincus invested \$75 million in the company for a 17% stake. About \$55 million of that went into exiting early investors in Quest, and \$20 million came into the company. Part of this will be used to fund the Interface acquisition.

Ajit Prabhu, co-founder & CEO of Quest, who spoke exclusively to TOI, said the acquisition was part of a plan to build stronger presence in geographies where Quest has customers.

Earlier this year Quest won a deal from EADS (parent company of Airbus) for engineering design work for aircraft wings and pylons (a suspension device externally installed under the wing or fuselage of an aircraft that provides a means of attaching fuel tanks, bombs, rockets, or machine-gun pods). "We are setting up a 300-people centre for this work. Most of this will be in India. But Interface, which already supports Airbus in Spain, will do the pylon activity," Prabhu said.

Quest's big focus is aero engines, aerospace and defence, which together account for 60% of its revenues. It provides services to companies like Rolls Royce, GE, Pratt & Whitney and Airbus. Engineering services to the power generation sector is the other big component, accounting for 30% of revenues.

Prabhu, who co-founded Quest with Aravind Melligeri in 1997, said his target is \$500 million in revenue by 2015. "This requires us to grow 40% per annum, and we will do this through organic and inorganic growth. We want to close another acquisition by the end of this year," he said. It's a zero debt company, but another acquisition, Prabhu said, would require debt.

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