

'2017 WAS THE BEGINNING FOR ACQUISITIONS'

NASDAQ-traded Ebix Inc has been on an acquisition spree across Asia since early 2017. The software solutions provider expects to pursue both the organic and inorganic growth routes in 2018. Speaking to the Free Press Journal's Jescilia Karayamparambil **Robin Raina**, Chairman, Ebix, said the firm aims to be the largest financial and insurance solutions provider.

Edited Excerpts:

What is Ebix's vision for Indian market?

The company has a very simple goal. We want to be the largest financial and insurance player in the country. We are a global company with ambitious plans. We will keep expanding across the board. In India, we see an amazing opportunity centred on Indian youth, who are more ambitious. Lately, the country has seen a lot of wealth creation and when you create wealth you want to preserve it and have more option around it.

Recently, Ebix and BSE entered into a pact to set up an insurance distribution network. Through this joint venture, we will offer so many solutions but differently. It is like a one stop destination. It is about bringing value to the consumer with higher efficiency and cheaper products. While doing that we want to create a framework where businesses can be very fast. I plan to converge all these services, as it is the same consumer who wants to buy financial, travel and insurance services. In India, people are going to multiple websites and various outlets. In the process, we will create the largest insurance, finance and healthcare services that India has ever seen.

When you plan to break-even in India?

Ebix worldwide always had one focus. This is based on our learning that if we cannot make profits there is no need to be in the business. Many companies in India are giving money to their customers in form of cashbacks and they are exhausting their funds but that is not Ebix model. Ebix wants to create a model based on pure profitability. Ebix never gets involved in non-profit endeavours. We are a highly profitable company worldwide. Ebix's operating profit margin are in the rate of 35 per cent. Everything we do in India is touching that margins today. We are talking

about breaking even, Ebix makes those margins in India.

Will there be any more acquisitions in pipeline?

Yes, there are many more acquisitions. But I cannot talk about the future as we are a listed company. But I can talk about sectors—e-learning, lending, travel, money movement, remittance business—which we are looking at. It is already out in public that Ebix is in the bidding process for Educomp. We were just getting started in 2017. You will see lot more from our side.

Why is Ebix interested in e-learning?

Education is the foundation of everything. If we want to grow financial or insurance exchanges, there is a need for skilled people. The basic problem with India is the lowest education standards. I think standardised learning is the key. I believe quality learning to a large number of people can be possible only through e-learning. We appreciate companies like Educomp that has various tools like 25,000 courses to large number of schools. We feel that it is a key asset.

Apart from e-learning, we would also like to be in a space that will help parents pay fees of their children. We would like to take e-learning to every nook and corner of the country through our physical and digital outlet. This e-learning process can take place in our outlets. We feel there is a lot of convergence possible.

Ebix has already spent USD 200 million in India on acquisition. How much more would the company invest?

We do not have any limits as of now but we will invest within sensible limits to grow our business.

The other side

Robin Raina's visits to India are not always limited to his official work. He makes it a point to carve out time to pursue his philanthropic interests, executed by the Robin Raina Foundation. The Ebix boss talks about an ambitious plan to deliver over 6000 homes for the underprivileged, being built across the NCR.

Edited Excerpts:

How much do other donors donate to your foundation?

In any given year, around 115 per cent of the funding comes from other donors and about 85 per cent comes personal from me.

Where do you think Indians entrepreneurs stand when it comes to such activities?

Around the world, Indians are known for their humongous activity. Statistically, Americans donate a large amount of money every year. When you look at countries like Pakistan, they would contribute more and it is a reality.

This is mainly driven by religious belief and the government who forces them to donate. This has not happened in India till date. We don't have the concerted effort in such activities in India.

The two per cent CSR initiative by the government is a good initiative. India is changing today and we have a largest, youngest society in the world. These youth

want to be involved in charity and nation building but don't know how to be involved. The question is that if we give money will it reach the right people, through my initiatives, I want to glamorous charity so that it will

attract youth. Also, there is a need to build transparency when it comes to charity. This will build better example. We need to be extremely secular and make humanity our religion.

How can one rest assured that their donations is going into charity organisations that are not politically and religiously inclined?

On religion front, there is a lot of religion-based charity that takes place in India. One needs to understand that charity is not only about money. It is also about giving your time. This way you know where your donations are going and also you support the community at large.

The biggest project under the foundation was building more than 6,000 homes free of cost for the underprivileged, a project worth USD 20 million of which 2,700 have already been handed over.

Charity sees no boundaries. I have worked in Pakistan as well. We do not want to be involved with religious causes. My view is that if left to me zero money should go to religious charity with religious-based activity.

For instance, Bill gates and Melinda Gates—their work is inspiring. They wanted to make sure that they can reach out to as many people as possible. He gave up on his work route with Microsoft and is involved in social activities.

Do you aspire to take your foundation to levels Bill Gates has taken his?

I do not intent to take it to that level. I do not have such aspirations when it comes to giving charity. I am in a process of writing a book, 'Blueprint to Death'. In the book, I am trying to write about my desire to burn all the wealth that I have by the time I die. So I believe the foundation is not about the size but the lives it will touch. Bill Gates knows that he cannot change the world but he knows that he can change it to some degree. I will touch few lives in my lifetime and I want to continue doing that. It does not mean I want to emulate Bill Gates.

Capitalism is catching up around the world. What is your view on that?

There is nothing bad about capitalism. I am a big supporter of Capitalism. It actually creates jobs and offers better living standards. It does not mean we go after the underprivileged and finish them.

When you say socialism, you need to have money. Follow capitalism first to make money, then follow socialism from the perspective of help the under privileged.

