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ISGN Tech gets \$25 mn funding

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IT products and solutions company ISGN Technologies, which services the US mortgage industry, has announced that it had secured \$25 million in funding from venture capital firms New Enterprise Associates (NEA) and NEA-IndoUS Ventures (NEA-IUV).

The KK Birla Group company will use the funds to build its global delivery infrastructure and expand sales and marketing initiatives as part of its business strategy to achieve leadership position in the mortgage industry, according to a company statement.

The company expects to spend about 20 per cent of this funding in creating physical infrastructure in Chennai and Delhi. It is likely to hire about 400 people over the next quarter. It currently employs 300 people globally, with around 90 in India.

Following this investment, the ISGN board will have three members from these private equity firms on its rolls.

"NEA and NEA-IUV's expertise in the technology space and their conviction in our vision make them the right growth equity partners for us," Krishna Srinivasan, chief executive officer of ISGN, said.

The \$25-million investment follows a series of recent acquisitions ISGN made in the US mortgage solutions space. In March, the company acquired the mortgage software division of Fair Isaac Corporation, a US-based predictive technology solutions provider to the financial services industry.

More recently, it had acquired Dynateck, US-based provider of mortgage automation software for retail and wholesale lenders.

Vinod Dham, executive managing director, NEA-IndoUS Ventures, said the company was excited to be an investor in ISGN due to its singular focus on the mortgage financing sector.

"Over the next decade, the Indian IT services industry will increasingly move up the value chain by providing value-added knowledge process outsourcing (KPO) services to the world," Dham added.

Chennai-headquartered ISGN focuses on the mortgage-lending space by providing technology solutions, advisory services and KPO to lenders that originate and refinance the approximately \$2.6-trillion market in the US each year.

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