

FSS raises Rs. 350 cr. from Premji Invest

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CHENNAI: The Chennai-based electronics payment processing firm, Financial Software and Systems (FSS), raised Rs. 350 crore from Premji Invest, the family investment office of Azim Premji, Chairman of Wipro Ltd.

The company said it would use the funds for fuelling innovations in digital payments for electronic and mobile commerce industry, financial inclusion and remittance businesses, besides expanding in global markets.

This is the fourth round of funding for FSS. It had earlier raised two rounds of equity infusion from global private equity fund Carlyle and subsequently another round from NEA Associates and Jacob Ballas. Carlyle exited the firm in the third round of funding.

The majority of the funding from Premji Invest came as primary funding and the rest involved purchase from existing investors.

"In the next 18 to 24 months, the company plans to go public. The fact that FSS has consistently attracted PE investments over the past two decades and this latest investment from Premji Invest will enable us to prepare for the IPO," Nagaraj V Mylandla, Founder and Managing Director, FSS, said.

FSS, having clients such as ICICI Bank and HDFC Bank, is looking to clock revenue of about Rs. 850 crore this fiscal, a 38 per cent increase over revenue of Rs. 614 crore in the 2014 fiscal. The company aims to touch revenue of Rs. 2,200 crore by 2019 fiscal.

"We are excited to partner with FSS through this investment and support the next phase of growth opportunities for the company," Prakash Parthasarathy, Chief Investment Officer, Premji Invest, said in a statement.

Avendus Capital advised the company on the investment.