

Netmagic raises ₹70 cr in third round

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INDIA-FOCUSED hosting services provider, Netmagic, has raised ₹70 crore in the third round of funding led by Nokia Growth Partners and Cisco Systems. The firm will use the funds to expand its data centre footprint in the country. Existing investors, Nexus Venture Partners and Fidelity International, have also participated in this round.

CASH POSITIVE

The firm will use the funds to expand its data centre footprint in India by opening new centres & expanding existing ones

The funds, along with bank borrowings and internal accruals, will be used to increase the company's data centre footprint in the country by opening new centres

and expanding existing ones.

The funds will also be used to increase investments in developing cloud computing technologies, said Sharad Sanghi, managing director and CEO, Netmagic Solutions.

"We see cloud as the fastest growing service for us. In the next two years, it will account for 15-20% of our revenue from 4-5% now. We are competing head-on with Amazon in public cloud offerings," he said. The company, which is privately-held, does not disclose revenue figures, but its financial investors said it had revenue run rate of ₹150 crore. It is profitable and cash positive.