



Deal Announcement



Spark Capital advises Veritas Finance on its ~USD 82 Mn (~INR 5,900 Mn) equity fundraise from Kedaara Capital and existing investors (Norwest Venture Partners, Lok Capital, and the family of Mr. P. Surendra Pai)

Spark Capital acted as the exclusive financial advisor to Veritas Finance for the transaction.

Spark Capital (“Spark”) is pleased to announce the successful closure of a ~USD 82 Mn equity fundraise in Veritas Finance Private Limited (“Veritas” or the “Company”) by Kedaara Capital, Norwest Venture Partners, Lok Capital, and the family of Mr. P. Surendra Pai through a combination of primary issuance and secondary sale of shares. The equity fundraise is the fifth round of external equity infusion into the Company.

Veritas’ ability to raise capital at a competitive valuation in the current market conditions is a testament to its strong execution capability and superior profitability driven by its focus on the underserved self-employed customer segment in rural and semi-urban geographies.

Commenting on the successful completion of the transaction, Mr. D Arulmany, Founder & CEO of Veritas Finance quoted, “We are delighted to have Kedaara Capital as our new partner and thank our existing investors for their continued confidence in the management team and the business. Spark Capital is a partner in the true sense and has done a commendable job in understanding our business and handling the equity raise effectively in a tough market scenario.”

Abhijit Chiripal, Executive Director & Head – Financial Services, Spark Capital said, “Veritas is a high-quality franchise with a high-calibre management team. The completion of this transaction in a tough environment is testament to Veritas’ pedigree and unique value proposition and to Spark’s differentiated approach of backing high conviction ideas and as an all-weather partner to its clients.”

With this deal, Spark has successfully completed its fifth transaction in the SME financing space with a cumulative deal value of USD 270 Mn+ and continues to maintain its leadership position in the BFSI space having consummated 39 transactions aggregating to ~USD 2.6 Bn in value across various sub-segments within BFSI.

We are proud to be a part of this large equity round in Veritas and wish them the very best in the years to come.

About Veritas Finance:

Veritas Finance is an MSME financier offering business loans to customers in rural and semi-urban areas with presence across 9 states and UTs in South, East, and Central India. The company was promoted in FY16 by Mr. D Arulmany, who has over two decades of experience in senior positions across large pedigreed organizations.

Veritas has an AUM of ~₹13 Bn and a network of over 200 branches spanning 9 states & UTs. Its key products include secured MSME loans, working capital loans, and home construction loans.

More information on Veritas is available at www.veritasfin.in.

Best Regards,
Team Spark

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About Spark Capital:

Spark Capital is among India’s leading investment banks, providing a full suite of services encompassing Investment Banking, Institutional Equities, Wealth Management, and Structured Finance & Debt Syndication. Spark Capital’s Investment Banking business has successfully consummated deals with a total transaction value of ~USD 6.7 Bn since inception. Spark Capital’s Institutional Equities division covers 250+ stocks under research and enjoys empanelment with over 200 institutional clients across FIIs, DIIs and Family Offices. Spark Capital is headquartered in Chennai and has offices in Bengaluru and Mumbai. Further information is available at www.sparkcapital.in.