

DATE

July 02, 2024

SECTORS

Financial Services

DEAL LOCATIONS



DEAL TEAM



Abhijit Chiripal
Managing Director



Archanaa Jayaraman
Director

UN SDG ACTIVITY



DC Advisory advises Ummeed Housing Finance and its existing shareholders on its \$76m Series F fundraise



NORWEST



Background

- Founded in 2016 by finance veteran, Mr. Ashutosh Sharma, Ummeed Housing Finance (Ummeed) is a housing finance company, focused on affordable housing finance and securing small ticket business loans
- More than 70% of the target customer segment is in the self-employed category with an average loan ticket size of ~US\$ 10k
- Through its multi-pronged distribution platform and a team of approximately 1300 employees, Ummeed has a loan portfolio of \$216m with operations in 115 branches across seven states in North and Central India (as of May 2024)
- In June 2024, Ummeed had a credit rating upgrade from "A-"/ Stable to "A"/S Stable from CARE Ratings as a result of its consistent performance including the

stable from CRNE ratings as a result of its consistent performance including the latest primary capital infusion from Series F fundraise

Process

- The DC Advisory team, led by Abhijit Chiripal and including Archanaa Jayaraman, Anirudh Poddar and Ankit Solanki, acted as an exclusive financial advisor to this transaction
- DC Advisory provided full advisory support including preparation of marketing materials, due diligence co-ordination, managing investor interactions, devising deal strategy and driving negotiations with multiparty investors, both new and existing
- With its deep sector knowledge in affordable housing finance, and large demand for equity investment in this sector, DC Advisory worked with Ummeed to create a compelling and differentiated investment case which led to significant investor interest

Outcome

- The fundraise is a combination of primary capital of \$36m and an exit for Lighthouse Global Fund S.A, who had invested in Ummeed in 2018
- The primary capital will be used to help drive Ummeed's expansion in the central and southern regions of India
- This transaction funding came from A91 Partners LLP, Mirae Asset Venture Investments (India), Anicut Capital and existing investor Norwest Venture Partners
- The transaction closed in July 2024 following all necessary regulatory approvals
- The overall process was done on an accelerated basis and the funding was closed in a shorter time frame than is typical for a transaction of this nature

“Abhijit and his team from DC Advisory have done an excellent job on our recently concluded capital raise. They were thoughtful in preparing the pitch material, had good reach with potential investors and helped guide the process to a smooth close. DC Advisory - thank you for being good partners and helping us close this round in good time.”

Ashutosh Sharma
Founder & Managing Director, Ummeed Housing Finance

“We are proud and privileged to be partnering with the Ummeed team and the shareholders for a successful equity raise in such a short time. Ashu and his team have consistently delivered superior performance across team, tech and processes. We are excited to see the next level growth and wish them all the best in their future endeavors.”

Abhijit Chiripal
Managing Director, DC Advisory India