

## Press Release

### Kogta Financial raises Series D investment led by Multiples Private Equity

**March 31, 2022, Mumbai**

Kogta Financial (India) Limited (“Kogta” or “the Company”) is pleased to announce that Multiples Private Equity (“Multiples”) has signed definitive documents for leading an INR 846 Cr (~USD 111 million) Series D round in the Company, a fast-growing retail NBFC specialized in the secured retail vehicle and MSME financing space. Canada Pension Plan Investment Board (“CPP Investments”) and existing investors, Morgan Stanley Private Equity Asia (“Morgan Stanley”), and Creador IV LP (“Creador”) also participated in this round. The funds will be used as primary capital to support Kogta’s continued rapid growth across products and regions and will also provide a full exit to Kogta’s first institutional investor in Series A, IIFL Seed Venture Fund (“IIFL”).

Kotak Investment Banking was the exclusive financial advisor to the transaction.

Kogta focuses on the large and underserved vehicle finance market specializing in used vehicle financing and MSME loans. Started in Rajasthan, Kogta has now expanded across eight states with 175+ branches. The Company has an AUM of over INR 2,000 Cr, across commercial vehicles, passenger vehicles, tractors, and MSME loans.

Since the first institutional investment in Oct’16, Kogta has scaled rapidly at 50%+ CAGR over the last few years, led by founders with strong on-ground operating experience and deep market knowledge. Over the years, the Company has brought in experienced professionals to scale the business, backed by a culture of “freedom to grow”, and system led meritocratic operations.

*Speaking on this occasion, **Arun Kogta, MD and CEO of Kogta**, said, “This is a significant milestone for the Company, and we are pleased to welcome aboard Multiples and CPP Investments. Their experience would help Kogta navigate the next phase of its growth journey, deepening its reach across chosen geographies and product segments. We have grown our AUM 2x during the last 2 years despite Covid and we see a strong opportunity for the Company to grow further to INR 5,000 Cr in the next 2 years. I would like to thank Amit from IIFL for guiding and supporting us.”*

***Varun Kogta, ED and CFO of Kogta**, said, “The investments from Multiples, CPP Investments, Morgan Stanley, and Creador, underpins the faith placed by new and existing investors on Kogta’s business model and financial performance. The large primary capital infusion will help enhance our balance sheet strength and increase the conviction of credit rating agencies and lenders in the Company.”*

***Nithya Easwaran, Managing Director, Multiples** said, “Kogta’s in-house technology and systems enable it to deliver superior turnaround time (TAT) to customers, drive productivity, and build customer insights. Arun, Varun, and Nayan have laid the foundation for a high quality retail franchise. We are delighted to partner with them to build a distinctive financial institution in livelihood financing for entrepreneurs across the country.*

***Arjun Saigal, Managing Director, Morgan Stanley Private Equity Asia (MSPEA)**, said, “This is MSPEA’s third investment in Kogta and is a testament to our belief in the execution capabilities of the management team as well as the attractiveness of the vehicle finance space. Kogta has scaled its operations to 8 states with a sharp focus on asset quality and with the new fund-raise we hope Kogta continues its solid performance”*

**Robin Agarwal, Director at Creador, said,** *“Since our initial investment, Kogta has continued its industry-leading growth trajectory while effectively managing several macro disruptions. The Management team’s understanding of its target customer segment, coupled with its investments in developing the franchise, positions the company well for superior growth over the next few years. We look forward to working with the Kogta family and new partners on this journey together.”*

**Amit Mehta, Principal at IIFL Asset Management Ltd, said** *“As the first institutional investor in the company we backed a strong credit culture and the team’s execution capability to capture the opportunity in Vehicle finance and MSME space. Under the leadership of Arun & Varun, the Company has exhibited profitable growth despite multiple headwinds. As we exit our investment, we remain confident that Kogta will continue to deliver high quality growth.”*

#### **About Kogta Financial (India) Limited**

Kogta Financial (India) Ltd is one of the fastest growing NBFCs in the vehicle finance and MSME financing market. Founded in 1996, the Company was built by a team of three dynamic entrepreneurs. Kogta is currently steered by the next generation leaders along with its experienced and innovative Management Team. Based out of Jaipur, the Company has served over 2,00,000 customers through a network of 175+ branches.

For more information, visit <https://www.kogta.in/>

#### **About Multiples Private Equity**

Multiples is India’s leading private equity platform distinguished by its long and successful experience of partnering with Indian entrepreneurs. Multiples was founded in 2009 and during this decade has backed 25+ Indian businesses to build aspirational, distinctive, and responsible businesses. Multiples focuses on core sectors of financial services, pharma & healthcare, consumer and technology. Some of Multiples’ distinctive investment partnerships include PVR, Delhivery, Encube, Dream Sports, Quantiphi, Vastu Housing Finance, Cholamandalam, APAC, Zenex, Licious, MoEngage.

For more information, visit [www.multiplesequity.com](http://www.multiplesequity.com)

#### **About Morgan Stanley Private Equity Asia**

Morgan Stanley Private Equity Asia (“MSPEA”) is one of the leading private equity investors in AsiaPacific, managing third party money funds, having invested in the region for over 20 years. MSPEA invests primarily in highly structured minority investments and control buyouts in selected companies. The experienced investment team is led by senior professionals with extensive industry relationships, in-depth market knowledge and the ability to apply international investment principles within each local context. MSPEA has offices in Hong Kong, Beijing, Shanghai, Seoul, Mumbai, Bangkok and New York, and leverages the brand and global network of Morgan Stanley.

#### **About Creador IV LP**

Creador is a private equity firm focused on long-term investments in growth-oriented businesses in Southeast Asia and South Asia. More information on Creador can be found at [www.creador.com](http://www.creador.com)

#### **About IIFL Private Equity**

Since the launch of its first Private Equity fund in 2016 IIFL Asset Management has emerged as a strong Private Equity platform and track record in a relatively short period of time. The fund has made several marquee and successful investments in companies across Financial Service, Consumer & Healthcare space. IIFL Private Equity fund has now emerged as partner of choice for Entrepreneurs & Promoters of Mid-Market companies looking for growth and for Investors looking to capitalize on the strong returns that the Mid-Market space in India offers.

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