

DMI Finance raises \$400 mn from Japan's MUFG Bank

MSMEs are going to be a greater focus area for the NBFC

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NON-BANKING FINANCE COMPANY (NBFC) DMI Finance on Monday said it has raised \$400 million in an equity round led by MUFG Bank of Japan. The fundraising, which involved primary and secondary transactions, saw participation from existing investor Sumitomo Mitsui Trust Bank, DMI Finance said.

Speaking to *FE*, Shivashish Chatterjee, co-founder and joint managing director at DMI Finance, said the end use of the new funds is to continue expanding existing business.

"We have been one of the most active digital finance players in the country for the last few years and we intend to continue to expand our business at a similar rate going forward. Products that we are involved in are consumption loans, personal loans, MSME credit (micro, small and medium enterprises) and we expect to use this money to expand



FUNDS MOP-UP

- The fundraising saw participation from existing investor Sumitomo Mitsui Trust Bank
- Funds will be used to expand existing businesses
- Bank is open to expand its business through inorganic acquisitions

each of those," he said.

"Going forward, we do think that MSME is going to be a greater focus area for us than it was in the past. In the past, we have largely been a consumer finance company, but we will have a meaningful MSME

finance book going forward," Chatterjee added.

On whether the NBFC is eyeing inorganic growth post fundraising, Chatterjee said inorganic acquisitions are "always something we look out for." "...given the right opportunity and right target, we would definitely be open to expand our business through inorganic acquisitions...we intend to remain a digital lender, so whatever acquisitions we make should move us further to the direction of being more of a digital lender."

While Chatterjee did not share broader valuation details of the fundraising, as per an MUFG Bank release, it has invested ₹1,910 crore, or around \$232 million, in the funding round. DMI Finance had raised \$47 million in an equity investment round in January 2022, which included new investor Sumitomo Mitsui Trust Bank, New Investment Solutions and NXC Corporation.

According to a release by DMI Finance, it sources and services customers through multiple digital channels and is an embedded digital finance partner of choice for leading businesses including Samsung, Google Pay and Airtel.

