

## Press Release

### **IKF Finance secures ~INR 1,465 Cr funding from Norwest and Motilal Oswal Alternates**

- **Norwest leads the round with a \$100m investment**
- **Existing investor Motilal Oswal Alternates re-invests post making stellar returns**
- **Funds to be deployed for enhancing business operations**

*Hyderabad, India, May 15, 2025:* IKF Finance (“IKF” or “the Company”), one of the leading non-banking finance companies based out of Hyderabad, India announced that it has closed an investment of ~INR 1,465 Cr from Norwest and Motilal Oswal Alternates (“MO Alternates”). The transaction included both primary capital infusion and secondary stake sale.

Founded in 1991 by Mr. V.G.K. Prasad, IKF Finance is a leading Indian NBFC with over 30 years of strong credit performance. **Second-generation women entrepreneurs Ms. K Vasumathi Devi and Ms. Vasantha Lakshmi now helm IKF Finance and IKF Home Finance respectively, bringing fresh perspective while upholding a strong legacy.** Operating across 9 states, IKF offers secured retail loans including used commercial vehicle loans, and MSME loans. IKF also offers affordable housing and LAP through its subsidiary IKF Home Finance. Serving first-time buyers, small fleet operators, and self-employed individuals, IKF focuses on income generation, working capital, and housing needs—driving credit formalization in underserved segments. With a loan book of ~INR 6,700 Cr as of March 2025 and industry-best asset quality, IKF is further backed by Accion and its LPs, ensuring strong governance and institutional trust.

**Mr. V.G.K Prasad, Founder and Chairman of IKF Finance** said in a statement, *“We are pleased to welcome aboard Norwest, an investor with a growth mindset and a strong financial services portfolio in India along with our long-term investor MO Alternates who continue to support us since they first invested in the company in 2015. This is our largest fundraise to date and a key milestone in our journey to expand access to inclusive, flexible financial solutions for underserved communities.”*

**Ms. K. Vasumathi Devi, Managing Director**, IKF Finance, said in a statement, *“This capital infusion allows us to accelerate financing for a wider range of customers. With our rich legacy of 34 years, we will continue to invest in our distribution, technology, and people, while growing responsibly with strong compliance at the core”*

**Ms. Vasantha Lakshmi, Managing Director, IKF Home Finance**, subsidiary of IKF Finance said in a statement, *"We are excited to partner with long-term investors who share our vision of enabling homeownership for underserved communities in India. This investment validates our business model and team, and with this capital, we aim to accelerate growth and build a sustainable, inclusive financial institution".*

**Mr. Niren Shah, Managing Director and Head of Norwest India**, said in a statement, *"We are pleased to announce our investment in IKF, an outstanding lending platform built over three decades by Mr. V.G.K. Prasad, Ms. K. Vasumathi, and Ms. Vasantha. Backed by an experienced leadership team, strong governance, and a consistent track record, IKF is well positioned to continue meeting the needs of Indian borrowers. At Norwest, we have a proud legacy of partnering with founder-led, professionally managed financial services institutions, and we are honoured to support IKF as it embarks on this promising new chapter."*

**Mr. Nikhil Kookada, Principal, Norwest**, said in a statement, *"We are delighted to invest over \$100 million in IKF Finance, reflecting our strong confidence in the company's 34-year track record of responsible lending, robust asset quality, strong profitability, and deep commitment to financial inclusion. Under the visionary leadership of founders Mr. V.G.K. Prasad, Ms. K. Vasumathi, and Ms. Vasantha, IKF has emerged as a leader in used vehicle finance, affordable housing, and MSME lending - particularly across rural and semi-urban India. We are excited to partner in its next phase of growth, leveraging technology to expand credit access while upholding the highest standards of compliance and risk management."*

**Mr. Vinit Mehta, Managing Director and Head of BFSI investments at MO Alternates**, said in a statement, *"Our investment in IKF reflects our strong confidence after working with management team over past decade in the company's vision, leadership, and its pivotal role in democratizing credit. The company, with its exemplary credit culture at its core, has demonstrated consistent growth and profitability across cycles and is now poised to be a multibillion-dollar lending franchise over the next 5 years. Our continuing commitment from our Fund IV is testament to the long-term partnership-oriented approach which is a hallmark of MO Alternates' investment philosophy"*

**Mr. Abhishek Agrawal, Managing Partner at Accion Digital Transformation Fund**, said in a statement, *"We're excited to welcome Norwest and value the continued support of MO Alternates for IKF Finance. By combining customer insight with digital innovation, IKF is expanding access to finance for first-time vehicle owners and entrepreneurs. We're proud to partner with them to drive scale & impact through digital transformation"*

Moelis & Company and Unitus Capital acted as financial advisors to IKF Finance on this transaction.

Cyril Amarchand Mangaldas acted as legal counsel to IKF Finance and MO Alternates and Shardul Amarchand Mangaldas acted as legal counsel to Norwest.

### **About Norwest**

Norwest is a global venture and growth equity investment firm managing more than \$15.5 billion in capital. Since its inception, Norwest has invested in more than 700 companies and currently partners with more than 250 companies in its venture and growth equity portfolio. The firm invests in early- to late-stage businesses across key sectors with a focus on enterprise, healthcare, and consumer. The Norwest team offers a deep network of connections, extensive operating experience, and a wide range of impactful services to help CEOs and founders scale their businesses. Norwest has offices in Menlo Park and San Francisco, Calif.; Mumbai, India; and Tel Aviv, Israel. In India, Norwest has a successful history in partnering with innovative companies across Financials, Technology, Internet, Healthcare & Pharma and Consumer sectors. Some of the firm's most prominent investments in India include Kotak Mahindra Bank, NSE, IndusInd Bank, RBL Bank, Five Star, SK Finance, Mintifi, Vastu Housing, Swiggy, OfBusiness, Subway, Amagi, and Infinx. For more information, please visit [www.norwest.com](http://www.norwest.com).

### **About Motilal Oswal Alternates**

MO Alternate Investment Advisors Private Limited ("MO Alts") is a subsidiary of Motilal Oswal Financial Services Limited (MOFSL), a diversified financial services group with businesses in Securities, Asset Management, Housing Finance, Private Equity and Investment Banking. MO Alts is managing both private equity and real estate funds and cumulatively manages an AUM of ~USD 2.4 bn between the two asset classes. The private equity vertical focuses on providing growth capital to mid-market companies across its preferred sectors of consumer, financial services, life sciences and niche manufacturing and has, in the last 19 years, made 50 investments and has exited 20 investments with industry leading returns, making it one of the top performing platforms in India. Many portfolio companies of MO Alts have, over the years, scaled to between USD 3-7 bn companies from less than USD 100 mn at the time of investment. For more information, please visit [www.motilaloswalalt.com](http://www.motilaloswalalt.com)

### **About Accion Digital Transformation Fund (ADTx)**

Accion Digital Transformation provides investment capital and strategic support to banks and finance companies that are connecting millions of small businesses and individuals to the digital

economy. Our equity and quasi-equity investments focus on providing support for digital transformation to companies serving micro, small, and medium enterprises across Africa, Asia, and Latin America. Accion Digital Transformation is an investment strategy of Accion and is managed by Accion Impact Management. More at [www.accion.org/digitaltransfor](http://www.accion.org/digitaltransfor)