JM Financial Limited acted as the exclusive financial advisor to the Navi Group to sell 100% stake in its wholly owned subsidiary Chaitanya India Fin Credit to Svatantra for Rs 1,479 Cr

On August 8, 2023, Navi Finserv Limited and Navi Technologies Limited (collectively referred to as “**Navi Group**”)executed a share purchase agreement with Svatantra Microfin Private Limited (“**Svatantra**”) for selling 100% stake in their wholly owned subsidiary, Chaitanya India Fin Credit Private Limited (“**Chaitanya**”), for consideration of Rs 1,479 Cr (“**Proposed Transaction**”).

The Proposed Transaction of divestment of Chaitanya by Navi Group is in line with its strategic plan to focus on digital-first businesses.

On successful closure of the Proposed Transaction, Svatantra will become the 2nd largest Microfinance NBFC with a combined AUM of Rs 12,409 Cr. The combined entity will have reach of more than 3.6 million active customers through 1,517 branches across 20 states (as on March 31, 2023).

This is one of the largest M&A deals in the Indian microfinance industry.

**JM Financial Limited acted as exclusive financial advisor to Navi Group for the Proposed Transaction.** We efficiently managed a competitive process culminating in the execution of definitive documents within a remarkable span of 6 months from launch. The Proposed Transaction adds to JM Financials’ remarkable track record of successfully handling deals which transform the industry landscape, strengthening our credentials in Indian M&A and FIG space.

The Proposed Transaction is subject to receipt of the approval of Reserve Bank of India and shareholders of Navi Group and satisfaction of other conditions set forth in the share purchase agreement to be entered between Chaitanya, Navi Group and Svatantra.