

TVS Supply Chain Solutions gets SEBI nod for IPO launch

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TVS Supply Chain Solutions, part of TVS Mobility Group, has received SEBI approval for an IPO launch. Subject to clearances, it could hit the market in August, it is learnt.

Chennai-based TVS Supply Chain Solutions had, in May, refiled the draft offer documents for its proposed IPO consisting of a fresh issue of equity shares aggregating up to ₹750 crore and an offer for sale (OFS) of over 2 crore equity shares by existing shareholders.

It had earlier planned to raise up to ₹2,000 crore through the fresh issue. However, due to volatile market conditions, it has raised primary capital of ₹418 crore cash and a share swap through minority stake purchase of its subsidiary White Data Systems through private placement. Marquee investors such as State Bank of India, Bajaj Holding, Hero Enterprises, and Cholamandalam Finance (through share swap) have come on board now.

Another commitment of ₹100 crore has been received from a prominent family office in Mumbai for investment by Q1 of this year, as per market

sources. It is understood that the promoters are not participating in the OFS. Investors such as Omega TC Holdings and Tata Capital are participating in it.

USE OF FUNDS

With ₹520 crore of funds raised and another ₹750 crore through fresh issue in the proposed IPO, the company looks to capitalise on growth opportunities. The funds will be used for prepayment or repayment of all or a portion of certain outstanding borrowings of the company and its subsidiaries, TVS LIUK and TVS SCS Singapore, of around ₹600 crore, according to the document.