

Kedaara Cap May Sell Part Stake in Mahindra Logistics' October IPO

Private equity firm Kedaara Capital is looking to exit part of its holding in Mahindra Logistics in an initial public offering that is likely to hit the market by October.

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PROPOSED OFFER The private equity firm and Mahindra Group may monetise a part of holding through ₹600-700-cr IPO, which is expected to hit market by October

Kedaara Looks to Sell Stake in Mahindra Logistics IPO

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Mumbai: Private equity firm Kedaara Capital is looking to sell part of its holding in Mahindra Logistics in an initial public offering (IPO) that is likely to hit the market by October, two people familiar with the development said. The Mahindra Group, too, will sell a stake in its subsidiary in the IPO, which will raise ₹600 crore to ₹700 crore.

Axis Capital and Kotak Investment Banking have been mandated to manage the issue, they said.

Last week, Mahindra & Mahindra said in a notice to exchanges that its board has approved sale of a part of its shareholding in its subsidiary Mahindra Logistics as part of the proposed IPO.

Kedaara Capital had bought a 23% stake in Mahindra Logistics in April 2014 for ₹200 crore. Mahindra



Logistics needs to finalise business plans to see if fresh money would be needed or not, said one of the persons cited above.

In response to an email query, a Mahindra Logistics spokesperson said that entities that are part of the

Mahindra group consider various options to access the capital markets from time to time and a potential IPO by Mahindra Logistics is one option being considered.

"The timing and other details of any such IPO will be determined at

the appropriate time and we have no further comments on this matter at this time," the spokesperson said.

Queries sent to Kedaara Capital, Axis Capital and Kotak Investment Banking went unanswered.

Mahindra Logistics, a third party supply chain and people transport solutions provider, is promoted by Mahindra Partners, a private equity division of the Mahindra Group. It was founded as a strategic initiative to enhance the focus of the Mahindra & Mahindra group on logistics services to both internal and external customers.

It caters to M&M's supply chain needs, including inbound and outbound logistics, inter-plant movement, warehousing, linefeed, freight forwarding and value-added services, among other solutions. Mahindra Logistics serves over 200 large corporate clients across various industries and operating verticals.

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