

# TVS Credit raises ₹480 crore capital from Premji Invest

## Our Bureau

Chennai

TVS Credit Services Ltd, a non-banking finance company that provides loans mainly for two-wheelers and used cars, has raised equity capital of ₹480 crore from Premji Invest.

As part of the deal, Premji Invest will buy a 9.7 per cent equity stake in TVS Credit for ₹737 crore via a combination of primary and secondary investment, according to a statement.

“Within a short period, TVS Credit’s assets under management (AUM) have surpassed ₹20,000 crore supported by a strong balance sheet. As we embark on the next phase of our journey, our focus will be on leveraging digitisation to reach new customers and achieve a higher growth momentum,” said Sudarshan Venu, Chairman, TVS Credit Services, an arm of TVS Motor Company.

The capital will be utilised

to further strengthen TVS Credit’s efforts in expanding its customer base in new markets, increasing the channel partner network, and advancing its digitisation journey.

## STRONG GROWTH

TVS Credit built a strong customer base of more than 1 crore, who are served through a vast network of 40,000+ touch points across the country. In FY23, the company reported an AUM of ₹ 20,602 crore, an increase of 48 per cent over the previous year. The company expects its AUM to grow to over ₹50,000 crore in the next few years.

“We are confident that the company, given its parentage, will continue to build significant value for all stakeholders,” said TK Kurien, CEO and Managing Partner, Premji Invest.

Nomura Financial Advisory and JM Financial acted as financial advisors and Khaitan & Co acted as legal advisors on the transaction.