

Spark Capital advises CavinKare Private Limited on its Buyout of stake from existing PE investor Chrys Capital for INR 5,250 Mn

Spark Capital is pleased to announce the successful fund raise of INR 5,250 Mn by CavinKare Private Limited (“CKPL” or the “Company”) to fund the exit of existing PE Investor Chrys Capital (a Mauritius entity) through a debt raise from Axis Capital. Spark Capital acted as exclusive financial advisor to the Company for the transaction.

About the Transaction:

CKPL had raised INR 2,500 Mn through equity in May 2013 from Chrys Capital, a leading PE firm to execute their future strategy and expansion plans. After around four years of successful investment in the company, Chrys Capital approached CKPL for an exit at a value of INR 5,250 Mn. Post this transaction, CKPL will be fully owned by its promoters led by Mr. C.K. Ranganathan, Chairman and Managing Director giving the company leeway to future financing options. The deal was consummated with **Axis Capital & Axis Bank** financing different legs of the transaction.

The CMD of CKPL Mr C.K. Ranganathan said *“It was a pleasure working with Spark Capital team on the transaction. They provided objective advice and thorough professional & comprehensive support throughout the process. The transaction is another milestone in the relationship between CavinKare & Spark Capital.”*

About CKPL:

CKPL is one of South India’s leading conglomerates with strong focus on personal care brand. Established in 1983, CKPL was the first company to come up with the concept of ‘sachet’ shampoos, followed by landmark innovation of haircare product “Chik” Shampoo. The Company has created one of the largest home-grown brands in the shampoo market. (Brands like Chik, Nyle form part of the product portfolio). Over the years, CavinKare has successfully transformed itself from a pure Personal Care player to a FMCG conglomerate with interests in Dairy, Snacks, Food & Beverages businesses with strong brands like Cavins, Garden, Ruchi and Maa.

About Axis Capital:

Axis Capital Limited provides financial services in India. It offers services in the areas of equity capital markets, mergers and acquisitions, institutional equities, structured finance, investment solutions, initial public offerings, qualified institutional placements, blocks, private equity, and financial advice. The company has a strategic alliance with Baird. Axis Capital Limited was formerly known as Axis Securities and Sales Limited and changed its name to Axis Capital Limited in October 2012.

Role of Spark:

Spark Capital played a vital role in advising the promoter towards simplifying the deal structure which involved exploring various funding options ranging from Bonds, loans to FCTL;

- Evaluation at each step to arrive at an optimal structure within the regulatory framework;
- Ensuring that multiple legs of the deal are stitched together seamlessly to make it palatable to investors thereby creating tremendous interest.
- Deliver favourable terms to the client with commercials at par with balance sheet linked transactions.

About Spark Capital:

Spark Capital is among India’s leading investment banks, providing a full suite of services encompassing Investment Banking, Institutional Equities, Wealth Management and Structured Finance & Debt Syndication. Spark’s Investment Banking business has successfully consummated a total transaction value of close to USD 2.2 Bn across 31 transactions in the last 36 months; Spark Capital’s Institutional Equities division covers over 200 stocks under research and enjoys empanelment with over 200 institutional clients across FIIs, DIIs and Family offices.

Further information is available at www.sparkcapital.in

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