

TVS Logistics to Buy Chola Arm

Our Bureau

Chennai: TVS Logistics Services, part of the \$7-billion TV Sundaram Iyengar Sons group, agreed to invest ₹42.2 crore for a 51% stake in White Data Systems India, a Cholamandalam Investment & Finance unit that makes software for freight data solutions.

The deal is expected to be completed by the end of No-

vember, Cholamandalam, the financial services arm of the Murugappa Group, said a news release. The deal will reduce Cholamandalam's stake in WDSI to 31%.

Analysts see the deal as a reflection of the corporate philosophy of buying into small firms as a way to expand businesses in the logistics sector. "Large corporates have been scaling up their logistics businesses by acquiring smaller, do-

mestic companies. This is a good move by TVS Logistics. The logistics business is going to be a big market due to the exponential growth of ecommerce firms and so this is a good way to scale rather than splurging and risking on large deals," said Chokkalingam G, managing director of Equinomics Research & Advisory.

WDSI was founded in April 2015 and is headquartered in Chennai.