

Temasek bets on India's largest snack maker

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Temasek has taken a bite out of India's largest snack maker in a long-term bet on consumption in the world's most populous country.

The Singapore state-owned fund has acquired a minority stake in Haldiram's, a household name in India. Terms of the deal were not disclosed but a person familiar with the acquisition said Temasek had taken a close to 10 per cent stake for about \$1bn.

The move is the latest in India by the Singapore asset manager, one of the world's largest with a global portfolio of \$290bn, including stakes in a range of Indian hospital, financial and e-commerce companies.

It comes after lengthy talks between

potential buyers and the controlling family of Haldiram's, which sells a range of Indian sweets and deep-fried snacks across more than 7mn outlets.

The company, which was established in a small store in Rajasthan in 1937, also exports across the world and runs a factory in the UK.

A number of potential suitors, including Bain Capital and the consumer business of Indian conglomerate Tata, had rotated in and out of negotiations with Haldiram's for more than a year.

"There have been a lot of suitors," said a person familiar with the talks, adding that Temasek was attracted to Haldiram's as a way of playing into the longer-term rise of India's middle-income consumer class.

Sanjeev Krishan, chair of PwC India,

which advised on the sale, said it was the largest private equity consumer deal in the country and "a reflection of domestic businesses that continue to elevate India's positioning on the global stage".

The retail and consumer sector had the highest deal volume and value in India last year, with 418 transactions totalling \$9.9bn, according to PwC.

However, the deal comes at a time of a drop-off in consumer spending as many urban, middle-class Indian households have become weighed down by debt, while struggling with stagnant wages and higher inflation since the Covid-19 pandemic.

Haldiram's said the investment by Temasek would help "to accelerate our growth and strengthen our ability to meet evolving consumer demands".