

Summary of the Proposed Transaction

[In terms of Regulations 13 (1A) of the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations), 2011]

A. Name of the parties to the combination

1. The names of the parties to the combination are:
 - a. Haldiram Snacks Private Limited (**HSPL**);
 - b. Haldiram Foods International Private Limited (**HFIPL**);
 - c. Haldiram Snacks Food Private Limited (**HSFPL**).

B. The nature and purpose of the combination

2. The proposed transaction comprises of the following steps:
 - a. A demerger of the respective FMCG businesses of HSPL and HFIPL (currently housed under HSPL and HFIPL and their various associates / subsidiaries), through NCLT approved Scheme of Arrangement (Scheme);
 - b. Pursuant to the Scheme, the acquisition of 56% and 44% shareholding in HSFPL by the existing shareholders of HSPL and HFIPL (collectively, **Proposed Transaction**).
3. The Proposed Transaction seeks to restructure the FMCG business of HFIPL and HSPL, which will be housed under the newly incorporated HSFPL.
4. The Proposed Transaction is in the nature of an acquisition and is notifiable under Section 5(a)(i)(A) of the Competition Act, 2002.

C. The products, services and business(es) of the Parties to the combination

HSPL

5. HSPL is engaged in the manufacture and distribution of packaged food products in India such as snacks, namkeen, sweets, ready to eat / pre-mix food, frozen food, biscuits, non-carbonated ready to drink beverages, pasta etc. Headquartered in Delhi, HSPL's operations are primarily run by Mr. Manohar Agarwal and Mr. Madhu Sudan Agarwal (**Delhi Family**).

HFIPL

6. HFIPL is similarly engaged in the manufacture and distribution of packaged foods products such as snacks, namkeen, sweets, ready to eat / pre-mix food, biscuits, cookies, non-carbonated ready to drink beverages, pasta etc. Headquartered in Nagpur, HFIPL's operations are primarily run by Mr. Kamalkumar Shivkisan Agrawal (**Nagpur Family**).

HSFPL

7. HSFPL is a newly incorporated entity that currently does not undertake any business operations. Post the Proposed Transaction, HSFPL would undertake the FMCG Business that is currently undertaken by HFIPL and HSPL, respectively.

FMCG Business:

8. The FMCG business (i.e., the packaged foods business) would comprise collectively of the FMCG business currently undertaken by HSPL and HFIPL and their respective subsidiaries / affiliates.

D. The respective markets in which the parties to the combination operate

9. Both HFIPL and HSPL (along with their affiliates) *inter alia* are engaged in the business of manufacture and distribution of a variety of sweets, snacks, namkeen, ready to eat / pre-mix food, biscuits, non-carbonated ready to drink beverages (including syrups) and pasta.
10. It is submitted that the exact delineation of the relevant markets may be left open, since the Proposed Transaction is unlikely to raise any concerns, irrespective of the manner in which relevant markets are delineated. Nevertheless, to aid the Hon'ble Commission's assessment, the following relevant markets have been defined based on the overlapping products sold by each of HFIPL and HSPL:

At the broadest level

- a. Market for packaged foods in India

At the narrower level

- b. Market for snacks in India;
- c. Market for sweets in India;
- d. Market for biscuits in India;
- e. Market for ready to eat meals in India;
- f. Market for non-carbonated ready to drink beverages (i.e., non-carbonated and non-alcoholic beverages) in India; and
- g. Market for vermicelli and pasta in India.

At the narrowest level

11. The snacks market can be further sub-segmented into:
 - a. Segment for salted snacks in India, which would include all salted / savoury snacks such as bhujia, papad, khakra, sev, gathiya, chakli, extruded snacks and wafers etc.
 - b. Segment for non-salted snacks in India which would include non-salty snacks such as chikkis, snack bars (such as cereal bars, protein bars, energy bars, etc.), fruit snacks (dried fruits, processed fruits etc.).

12. The sweets market can be further sub-segmented into the following markets:
 - a. Segment for milk-based sweets in India - such as rasgulla, dudh pedha, milk cake, rasmalai, raj bhog, etc;
 - b. Segment for dry fruit sweets in India - such as kaaju katli, dry fruit laddu, dry fruit barfi, badam katli etc;
 - c. Segment for other sweets in India such as besan laddo, besan barfi, coconut barfi, boondi laddu, soan papdi, motichor laddu, etc.
