
Avendus Capital advises Sapphire Foods and its shareholders on INR 1,150 crore investment round from Creador, NewQuest Capital Partners and TR Capital

Mumbai, August 9, 2021:

Sapphire Foods India Limited has concluded a round of investments of INR 1,150 crore from a consortium of private equity funds led by Creador, NewQuest Capital Partners and TR Capital. The investment round included a combination of secondary stake sale from existing investors, as well as primary investment to fund strategic investments.

Avendus Capital acted as the exclusive financial advisor to Sapphire Foods and its shareholders on the transaction.

Sapphire Foods is one of the largest franchisee operators of YUM! Brands in the Indian sub-continent and operates 437 restaurants of KFC, Pizza Hut and Taco Bell in India, Sri Lanka, and Maldives, as on March 31, 2021. It is institutionally owned by Samara Capital Group, Goldman Sachs Asset Management, CX Partners and Edelweiss.

During the past 15 months, Sapphire Foods' performance has seen a strong boost with consumers migrating from the unorganised food sector to multinational brands such as KFC, Pizza Hut and Taco Bell. It is led by Sanjay Purohit, Group CEO, and a professional management team, with robust corporate governance practices, and clearly defined company values that help guide organisation behaviour and culture.

Sumeet Narang, Founder and Managing Director, Samara Capital, said, "We believe the business has a strong foundation and is on an inflection point for growth. We value our relationship with Yum! Brands for their continued innovation and support. This investment round is to fund our strategic initiatives, including new store expansion, as well as to provide partial exit to a few investors. We welcome our new financial partners and look forward to working with them closely in our next phase of growth."

Abha Agarwal, Executive Director and Co-head, Consumer, Financial Institutions Group (FIG) and Business Services Investment Banking at Avendus Capital said, "Organized players such as Sapphire Foods have proven their resilience despite the restaurant industry being one of the worst hit sectors from Covid-19 globally. The agility of Sapphire Foods' management team came to the forefront as they leveraged their omni-channel platform to achieve rapid resurgence in revenue and boost profitability. As is the case in other sectors post Covid, we expect organized and well-managed players to get stronger and gain market share in the food services industry too."

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About Avendus

Avendus Group is a leading financial services firm with presence in the areas of Investment Banking, Wealth Management, Credit Solutions and Asset Management. Established in 1999 in Mumbai, India, Avendus is today present in 10 cities across India, US, UK and Singapore. Avendus partners with the Indian entrepreneur ecosystem to provide differentiated solutions that enable clients to meet their strategic aspirations.

Avendus Capital, the investment banking arm, is consistently ranked among the top investment banks in the country on the back of its in-depth domain understanding and a best in the class track record of domestic and cross-border transactions. Avendus' wide range of clients is a testimony to its ability to serve corporates throughout their life cycle – from growth stage funding to large-sized transactions, and M&A advisory.

Avendus Capital Inc located in New York is an Avendus Group entity offering M&A and Private Equity syndication services to clients in the US.

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