

Schneider Electric Takes Full Control of Indian Operations in \$6.4 Billion Deal



Paris-headquartered Schneider Electric, a global specialist in digital automation and energy management, has announced its agreement to acquire the remaining 35% stake in its Indian joint venture, Schneider Electric India Private Limited (SEIPL), from Singapore's state investment company Temasek. The all-cash transaction, valued at €5.5 billion (approximately \$6.4 billion), will grant Schneider Electric full ownership of its crucial Indian unit, streamlining decision-making and solidifying its presence in what has become its third-largest global market.

This strategic move follows a 2018 deal where Schneider and Temasek jointly acquired the electrical and automation business of Larsen & Toubro (L&T), subsequently merging it with Schneider's existing low voltage and industrial automation operations in India to form SEIPL. Since then, SEIPL has demonstrated robust performance, with statutory revenues reaching €1.8 billion in 2024 and total sales across all Schneider subsidiaries in India amounting to €2.5 billion. The unit has consistently delivered double-digit growth in recent years, making India a key focus market for the French multinational.

Schneider Electric views India not just as an attractive domestic growth market but also as a vital hub within its global multi-hub strategy, encompassing research and development (R&D) and supply chain operations for India, other emerging markets, and beyond. The company currently operates 31 factories and an equal number of distribution centers across India. With full ownership, Schneider aims to accelerate its decision-making processes and capitalize more effectively on India's economic tailwinds and burgeoning demand for energy management and automation solutions.

The company has ambitious plans to significantly expand its manufacturing capacity in India by 2.5 to 3 times. This expansion is aligned with and intends to support key government initiatives such as "Digital India" and "Make in India," further solidifying the country's role as a manufacturing and innovation powerhouse for Schneider Electric. Earlier this month, Schneider also announced plans for a large manufacturing facility in Tamil Nadu to bolster its IT business, specifically for Battery Management Systems (BMS), Uninterruptible Power Supply (UPS) systems, and other electronic components.

The transaction, which is subject to regulatory approvals including from India's antitrust regulator, is expected to close in the coming quarters. This full acquisition signals Schneider Electric's deep confidence in the long-term potential of the Indian market and its commitment to leveraging India's talent and manufacturing capabilities to serve both local and global demands. For Temasek, this represents a significant divestment, with the sale price reflecting a substantial premium on its initial investment.