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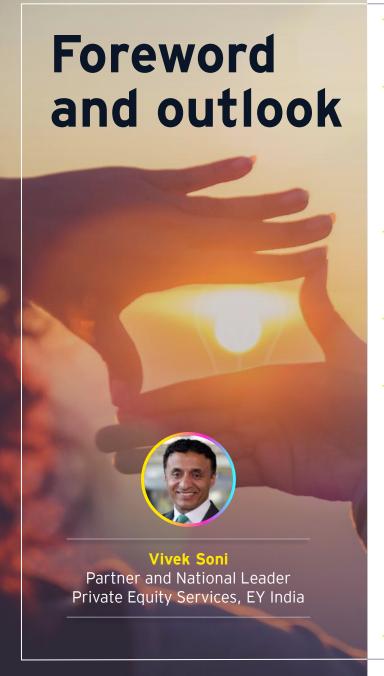
IVCA-EY PE/VC Roundup - May 2025

IVČA IVC ASSOCIATION

PROMOTING ALTERNATE CAPITAL ECOSYSTEM

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The better the question. The better the answer. The better the world works.



May 2025 recorded US\$2.4 billion in PE/VC investments, 68% lower than investments in May 2024 and 53% lower than in April 2025. The number of deals in May 2025 was 24% lower year-on-year.

The pure-play PE/VC investments in May 2025 (US\$1.9billion) declined by 60% compared to May 2024 (US\$4.6 billion). The real estate and infrastructure asset class also declined by 82% (US\$498 million in May 2025 vs. US\$2.7 billion in May 2024). Compared to April 2025, pure-play PE/VC investments declined by 18% (US\$2.3 billion in April 2025), and real estate and infrastructure investments declined by 82% (US\$2.7 billion in April 2025). In terms of the number of deals, pure-play investments declined by 16%, whereas the real estate and infrastructure asset classes declined by 64% year-on-year.

In May 2025, start-up investment deals emerged as the highest at US\$1.1 billion, followed by growth investments at US\$0.7 billion. From a sector point of view, financial services was the top sector in May 2025, recording US\$758 million in investments, followed by real estate (US\$380 million).

PE/VC exits stood at US\$1 billion across 18 deals in May 2025, 60% lower than in May 2024 (US\$2.6 billion). Open market exits accounted for 77% of the total exit value in May 2025 (US\$797 million).

PE/VC activity continues to remain subdued, as reflected in the limited deal flow and reduction in large deals (deals above US\$100 million). Heightened geopolitical tensions, US tariff policy and other external headwinds have dampened investor sentiment, resulting in a cautious and wait-and-watch approach. Further, the bid-ask spread between seller expectations and buyer valuations has not converged meaningfully as yet, dampening PE/VC investment activity.

Domestically, early signs of positive momentum are emerging through robust GST collections, strengthening of Indian Rupee from the lows seen in the beginning of the year and the recent rate cut by the Reserve Bank of India which is expected to improve liquidity and provide further impetus to deal-making. We expect that these factors collectively are likely to drive a pickup in deal activity in the second half of the year if there is an easing of global uncertainties and geopolitical conflicts and convergence of the bid-ask spread between sellers and buyers valuation expectations. We remain cautiously optimistic.

# A snapshot of PE/VC trends: May 2025



PE/VC investments: US\$2.4 billion (May 2025) vs. US\$7.3 billion (May 2024), a 68% decline y-o-y



24% y-o-y drop in deal count: 97 (May 2025) vs. 128 (May 2024)



Pure-play investments fell 60% y-o-y to US\$1.9 billion

Infra and real estate investments dropped by 82% y-o-y to US\$0.5 billion



Top strategy: **Start-up** (US\$1.1 billion) followed by **Growth** (US\$0.7 billion)



Exits: US\$1 billion (18 deals) in May 2025, a 60% decline y-o-y vs. US\$2.6 billion (24 deals)



Open market exits accounted for 77% of all exits by value in May 2025 (US\$797 million)



Fundraise of US\$3 billion across 12 funds, a 391% increase y-o-y



Financials services emerged as the top sector (US\$0.76 billion), followed by real estate (US\$0.38 billion)







Monthly trend analysis: May 2025



# **Key trends: Monthly**



- PE/VC investments in May 2025 totalled US\$2.4 billion, 68% lower than the US\$7.3 billion recorded in May 2024. This was also 53% lower than the US\$5 billion recorded in April 2025. The number of deals in May 2025 declined by 24% year-on-year, with 97 deals compared to 128 in May 2024, and 16% compared to April 2025 (115 deals).
- May 2025 saw six large deals totaling US\$941 million, reflecting a 83% decline in value compared to May 2024 (US\$5.6 billion) and a 75% decline compared to April 2025 (US\$3.8 billion). Large deals accounted for 40% of overall PE/VC investments in May 2025. The largest deal of the month saw Ares and others investing US\$216 million in Century Real Estate.
- Start-up investments accounted for the largest share of PE/VC activity in May 2025, with US\$1.1 billion deployed a 21% increase in value over May 2024 (US\$871 million). Growth investments ranked second, with US\$710 million invested in May 2025, down 71% from US\$2.5 billion in May 2024. Credit investments reached US\$319 million, marking a 77% year-on-year decrease (US\$1.4 billion in May 2024). Private investment in public equity (PIPE) investments totaled US\$184 million, 38% lower than May 2024 (US\$299 million). Buyout investments were the smallest segment at US\$88 million, representing a 96% decline from US\$2.3 billion in May 2024.
- From a sector perspective, financial services led the way in May 2025 with US\$758 million across 21 deals, followed by real estate with US\$380 million. Together, these two sectors accounted for 48% of overall PE/VC investments.

# **Investments**

			Year-o	n-year	Month-o	n-month
		May-25	May-24	Growth	April-25	Growth
	PE/VC investments (US\$ billion)	2.35	7.31	-68%	4.96	-53%
(\$)   investments	Number of deals	97	128	-24%	115	-16%
	Pure-play PE/VC investments - by value (US\$ billion)	1.85	4.59	-60%	2.25	-18%
	Pure-play PE/VC investments - by number of deals	89	106	-16%	97	-8%
Overview by	Contribution to overall PE/VC investments (by value)	79%	63%		45%	
asset class	Real estate / Infrastructure investments - by value (US\$ billion)	0.50	2.72	-82%	2.71	-82%
	Real estate / Infrastructure investments - by number of deals	8	22	-64%	18	-56%
	Contribution to overall PE/VC investments (by value)	21%	37%		55%	
	Large deals - by value (US\$ billion)	0.94	5.57	-83%	3.83	-75%
Large deals	Contribution to overall PE/VC investments	40%	76%		77%	
(>US\$100m)	Large deals - by volume	6	16	-63%	11	-45%
	Contribution to overall PE/VC deals	6%	13%		10%	

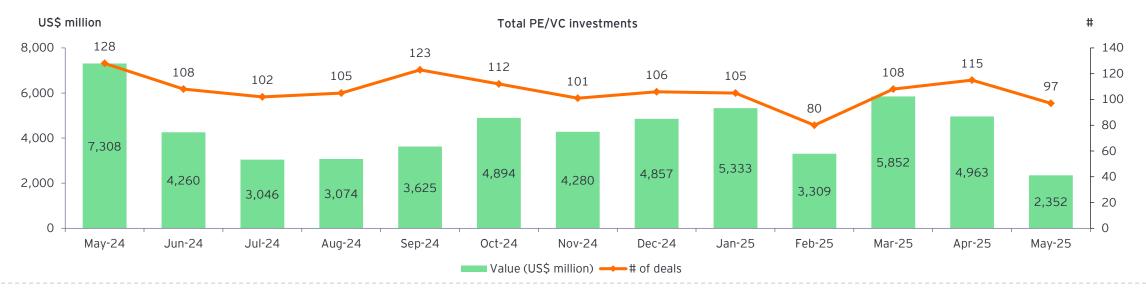
# **Investments**

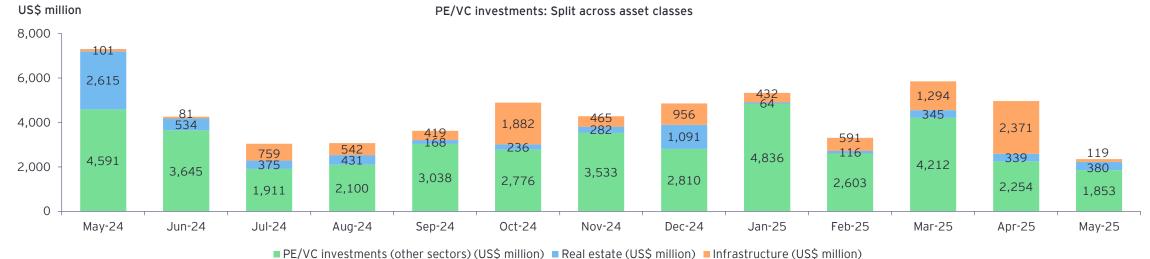
			Year-on-year		Month-on-month	
		May-25	May-24	Growth	April-25	Growth
	Start-up	1.05	0.87	21%	1.77	-41% <b>V</b>
	Growth	0.71	2.48	-71%	0.98	-28%
저집 Deal type	Credit	0.32	1.37	-77%	1.14	-72%
(US\$ billion) PIP	PIPE	0.18	0.30	-38%	0.91	-80%
	Buyout	0.09	2.28	-96%	0.15	-42%
	Total	2.35	7.31	-68%	4.96	-53%
	Financial services	0.76	1.62	-53%	1.23	-38%
Top sectors (US\$ billion)	Real estate	0.38	2.62	-85%	0.34	12% 🛕
	Logistics and transportation	0.23	0.00	4757%	0.01	2222%
	Contribution to overall PE/VC investments	58%	58%		32%	



Ares and others invested US\$216 million in Century Real Estate.

# PE/VC monthly headline trends: Investments

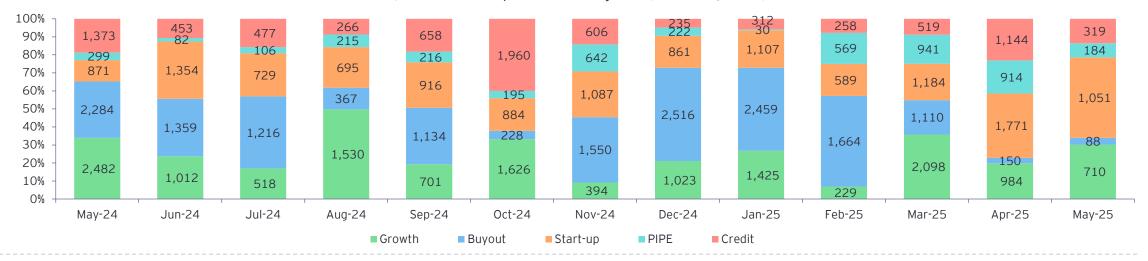




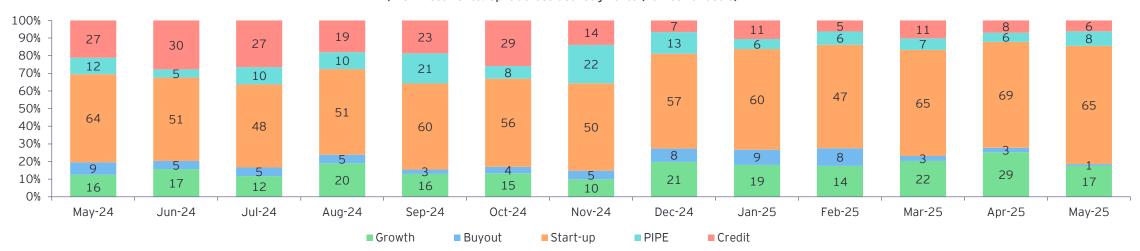
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## PE/VC monthly headline trends: Investments

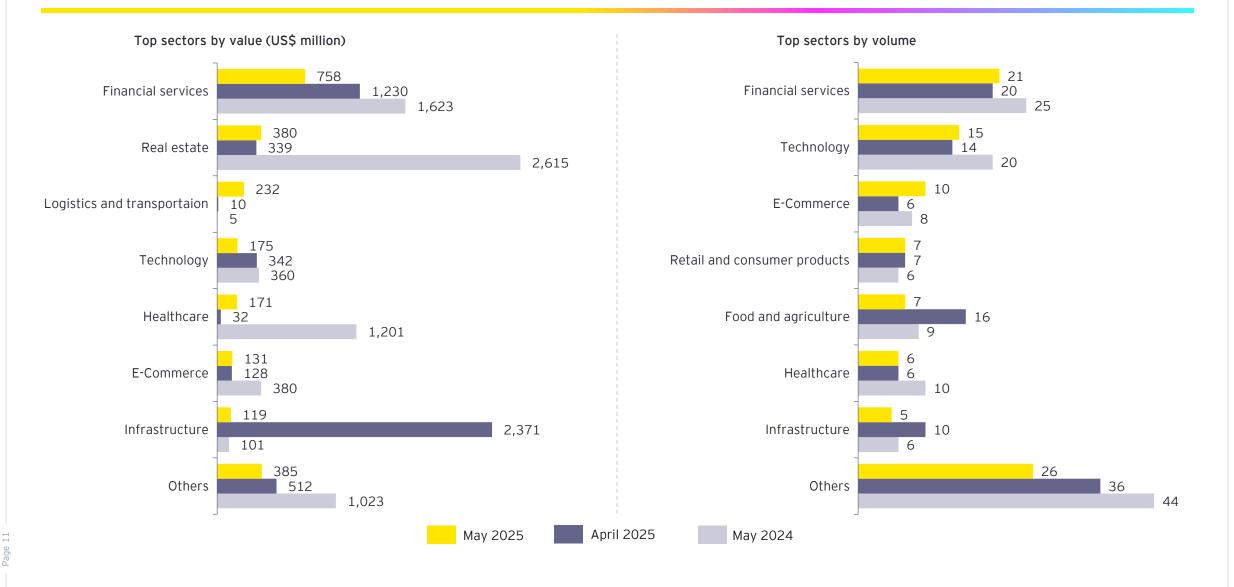
### PE/VC investments: Split across deal segments (value in US\$ million)



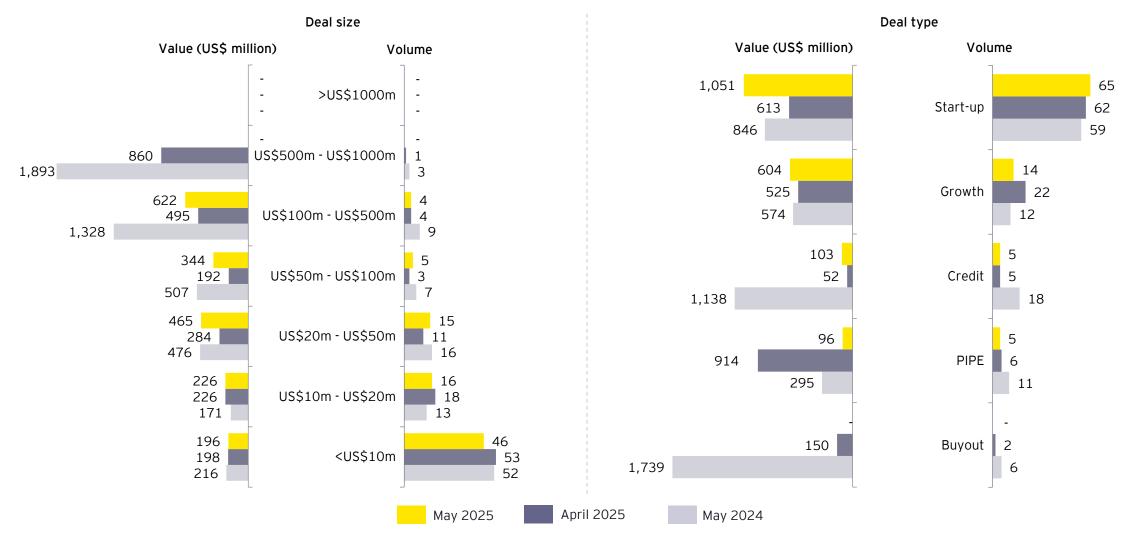
### PE/VC investments: Split across deal segments (number of deals)



# PE/VC investments: Split by sector



# PE/VC investments: Split by deal type and deal size (excluding infrastructure and real estate)



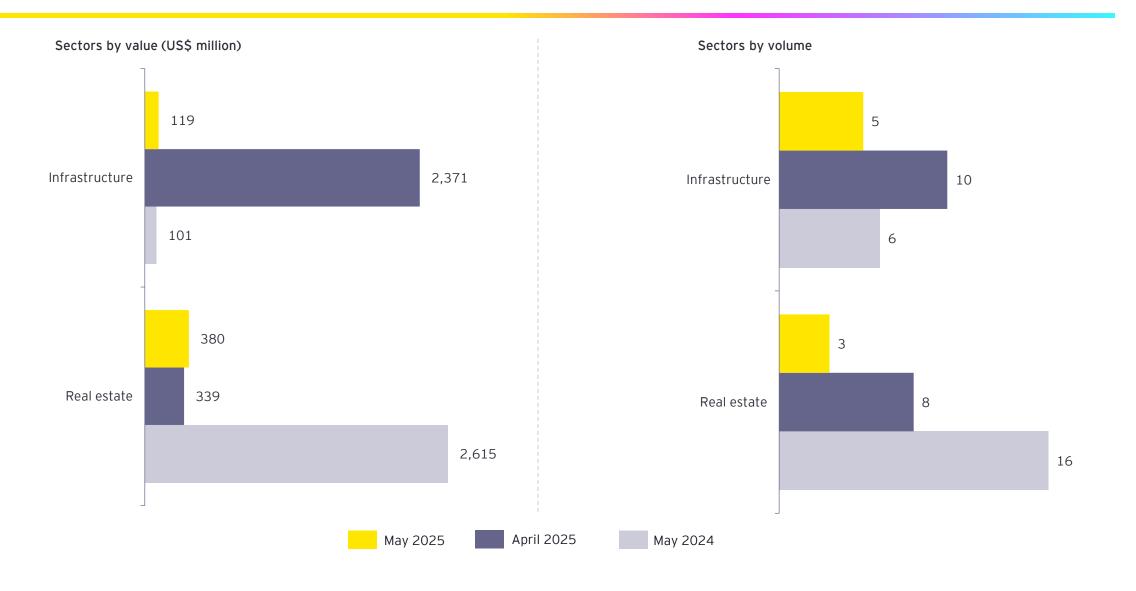
Note: Deal value not available on six deals in May 2024, seven deals in April 2025 and three deals in May 2025

# **Top PE/VC investments**

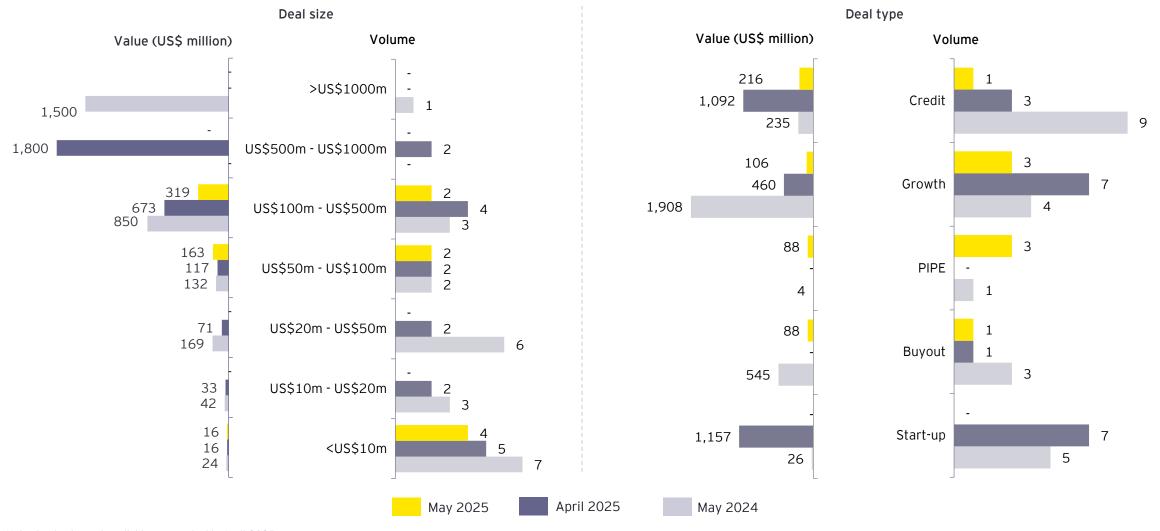
Top PE/VC investments in May 2025, excluding infrastructure and real estate

Company	PE investors	Sector	Stage	US\$ million	Stake (%)
SmartShift Logistics Solutions (Porter.in)	Kedaara, Vitruvian Partners and others	Logistics and transportation	Growth	200	17
IKF Finance	Norwest Venture Partners, MOPE and others	Financial services	Growth	172	NA
Billionbrains Garage Ventures (Groww)	GIC	Financial services	Start-up	150	2
PB Healthcare Services	General Catalyst and others	Healthcare	Start-up	100	NA
Fusion Finance	Warburg Pincus and others	Financial services	Growth	94	NA
Dreamplug Technologies (Cred)	Tiger Global, Alpha Wave and others	Financial services	Start-up	75	2
Citykart Ventures	TPG New Quest and A91	Retail and consumer products	Start-up	63	NA
Охуго	Northern Arc, Neo Group and others	Financial services	Credit	62	NA
Saarathi Finance And Credit	TVS Capital, Lok Capital, Evolvence, Paragon Partners and others	Financial services	Start-up	41	39
Snitch Apparels (Snitch)	360 One, Ivycap Ventures and others	E-commerce	Start-up	40	14

# PE/VC investments in infrastructure and real estate sectors



# PE/VC investments in infrastructure and real estate sectors



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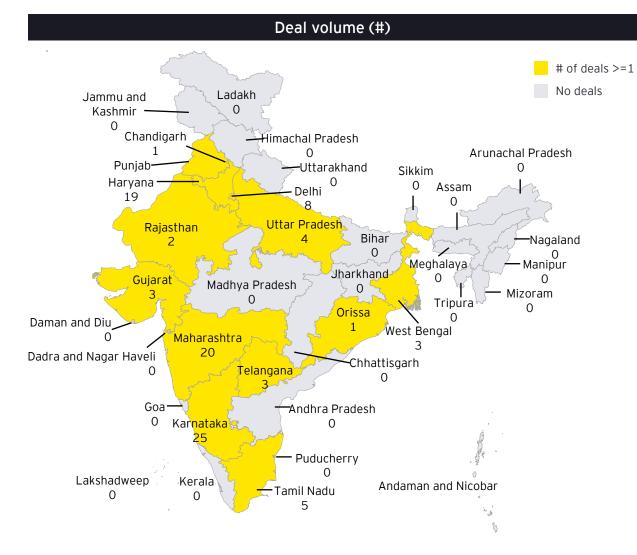
Note: Deal value not available on one deal in April 2025

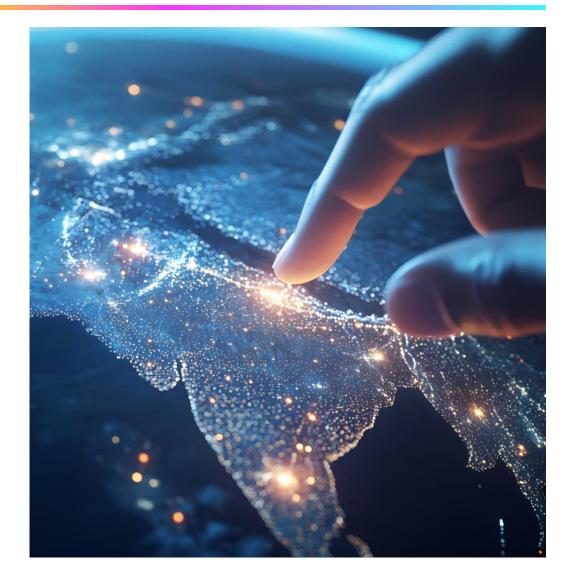
# Top infrastructure and real estate investments

Top infrastructure and real estate investments in May 2025

Company	PE investors	Sector	Stage	US\$ million	Stake (%)
Century Real Estate	Ares and others	Real estate	Credit	216	NA
ReNew Photovoltaics	BII	Infrastructure	Growth	103	NA
Prius Platinum	Prime Offices Fund	Real estate	Buyout	88	100
Embassy Developments	Blackstone RE	Real estate	PIPE	75	4

# PE/VC investments: Split by region





Page 1

Information not available for two deals

# **Key trends: Monthly**



- May 2025 recorded 18 exits worth U\$\$1 billion, compared to U\$\$2.6 billion across 24 exits in May 2024 and U\$\$619 million across 16 exits in April 2025. (Deal values were not available for nine of the 18 exits recorded in May 2025.)
- Open market exits were the highest in May 2025, totaling US\$797 million across seven deals and accounting for 77% of total exit value.
- The largest exit during the month was Carlyle's sale of 10% stake in PNB Housing Finance for US\$320 million.



- May 2025 recorded total fundraises of US\$3 billion, compared to US\$608 million in May 2024 and US\$1.1 billion in April 2025.
- The largest fundraise was by Quadria Capital, which raised US\$1.1 billion to build a diversified portfolio of approximately 10 marketleading companies, taking both significant minority and majority stakes.

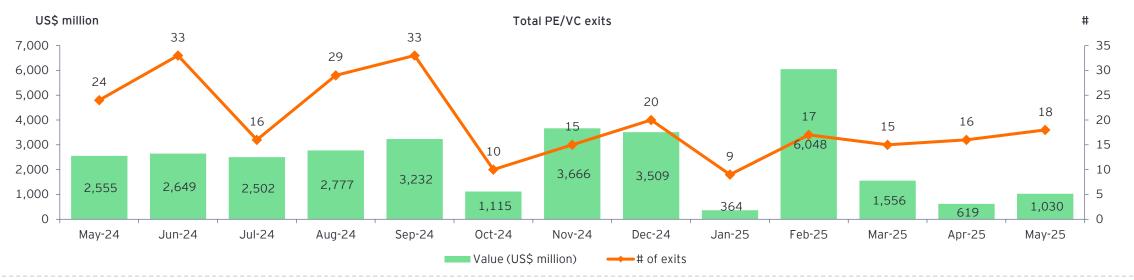
# **Exits: Monthly**

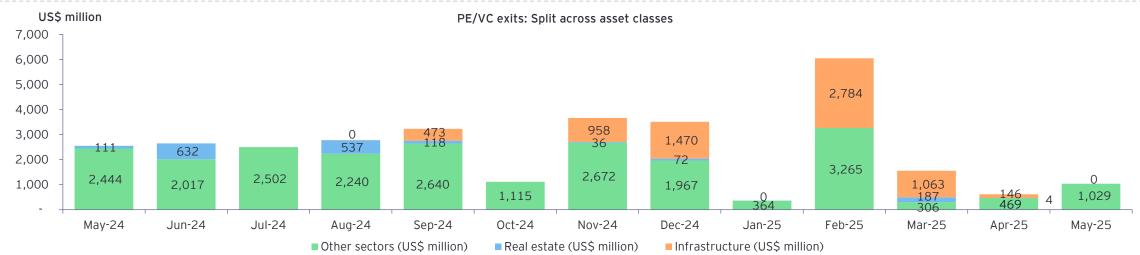
				Year-on-year		Month-on-month	
			May-25	May-24	Growth	April-25	Growth
	PE/VC	PE/VC exits (US\$ billion)	1.03	2.55	-60%	0.62	66%
	exits	Number of deals	18	24	-25%	16	13%
	Exit type (US\$ billion)	Open market	0.80	1.03	-23%	0.30	161%
		Secondary	0.20	1.01	-80%	0.22	-9%
		IPO	0.04	0.43	-92%	-	NA
		Strategic	-	0.08	-100%	0.10	-100%
		Buyback	-	-	NA	-	NA
	Total	Total	1.03	2.55	-60%	0.62	66%
	Top sectors (US\$ billion)	Financial services	0.78	1.04	-26%	0.05	1429%
(ASS)		Logistics and transportation	0.16	0.05	241% 🛕	0.10	70% 🛕
		Automotive	0.04	0.13	-73%	-	NA
		Contribution to overall PE/VC exits	95%	48%		24%	



Carlyle sold 10% stake in PNB Housing Finance for US\$320 million

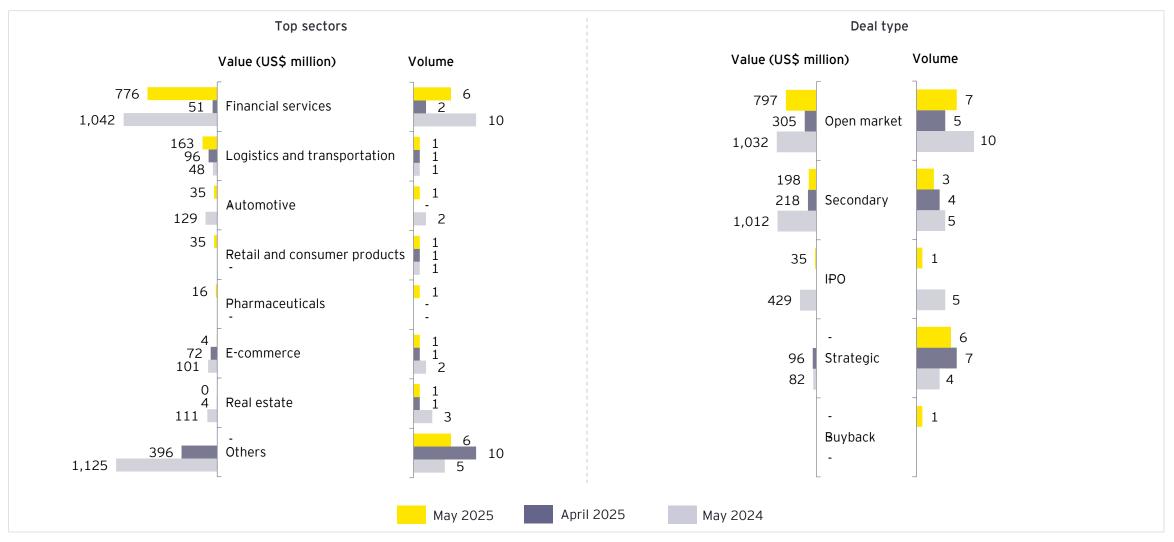
# PE/VC monthly headline trends: Exits





Note: Deal value not available on seven exits out 12 in April 2025

# PE/VC monthly headline trends: Exits



Note: Deal value not available on five deals in May 2024, eight deals in April 2025 and nine deals in May 2025

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# Top exits

### Top exits in May 2025

Company	Sector	Sellers	Buyer	Exit type	US\$ million	Stake (%)
PNB Housing Finance (PNBHFL, PHFL)	Financial services	Carlyle	NA	Open market	320	10
One97 Communications (Paytm)	Financial services	ANTFIN	NA	Open market	246	4
KFin Technologies (Kfintech)	Financial services	General Atlantic	NA	Open market	210	10
SmartShift Logistics Solutions (Porter.in)	Logistics and transportation	Peak XV	Kedaara, Vitruvian Partners and others	Secondary	163	14
Citykart Ventures	Retail and consumer products	Investcorp	NewQuest, 4Point9 Capital Advisors (A91)	Secondary	35	NA
Ather Energy	Automotive	GIC, NIIF, Tiger Global and others	NA	IPO	35	NA

### **Fundraise**

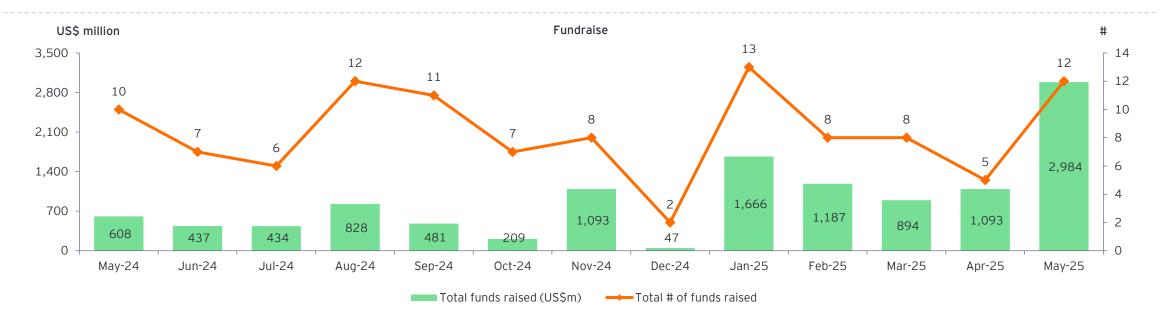
	May-25	May-24	Growth	April -25	Growth
PE/VC fundraise (US\$ billion)	2.98	0.61	391%	1.09	173%
Number of fundraise	12	10	20%	5	140%

Year-on-year



Fundraise

Quadria Capital raised US\$1.1 billion to build a diversified portfolio of approximately 10 market-leading companies, taking both significant minority and majority stakes.



Month-on-month

# PE/VC monthly headline trends: Fundraise

### Top fundraises in May 2025

Status	Fund	PE/VC GP	US\$ million	Strategy
Announced	KKR Asia Infra Fund 3	KKR	2,700	Focused on Indian infrastructure
Raised	Quadria Capital Fund III	Quadria Capital	1,070	Build a diversified portfolio of approximately 10 market-leading companies, taking both significant minority and majority stakes
Raised	Synergy Capital Fund III	Synergy Capital	714	Industrial and infrastructure assets, mainly in private credit solutions
Raised	Multiples continuation fund	Multiples	430	To acquire interests in three private companies from Multiples Fund II, alongside additional follow-on capital
Announced	Evolvence India Fund 5	Evolvence	300	Buyout fund (prefers majority stake)



EY has been working with the private equity industry for more than 25 years, with approximately 25,000 seasoned professionals worldwide dedicated to the industry and its business issues. EY serves 74% of the top 300 PE firms included in the Global PEI 300 firms list. Private equity firms, portfolio companies and investment funds face complex challenges. Successful deals depend on the ability to move faster, drive rapid and strategic growth, and create greater value throughout the transaction life cycle. EY taps its global network to help source deal opportunities and combines deep sector insights with the proven, innovative strategies that have guided the world's fastest-growing companies.

In India, EY is among the leading providers of advisory, tax, transactions and assurance services. We are also one of the best professional services brand\* in India, which is a testimony to our relentless commitment to deliver exceptional client service and create a better working world.

- Our India Private Equity Services practice has been among the top advisors for private equity deals over the past two decades in India.
- EY has been ranked a #1 Financial Advisor for over a decade across Mergermarket, Thomson Reuters and Bloomberg\*\*. Our position as the foremost M&A advisor in the Indian mid-market enables us to create a robust deal origination pipeline for our PE/VC clients, acting as the tip of the spear of what is India's dominant PE Services practice.
- Our Private Equity Services practice provides value to PE funds and their portfolio companies through its deep sector and service expertise. EY India is organized around key industry verticals in a matrix structure that enables us to offer a unique blend of industry expertise and functional skills. We actively track about 15 sectors with sector leads, driving our penetration in each of those sectors.
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<sup>\*\*</sup> for most number of deals

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#### **Partners**

(Personal tax)

### **Fund Raising**

(Marketing collateral, fund structuring, audit of fund performance)

### Buy and sell side advisory

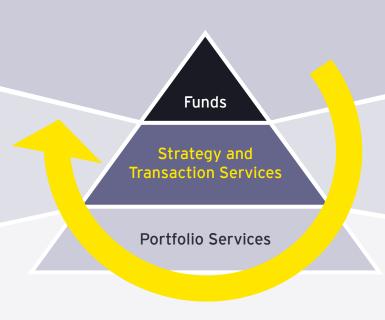
(M&A, capital markets support, tax structuring, regulatory compliance, SPA advisory, integrated sell side advisory - building equity story, vendor due diligence (VDD), structuring marketing)

#### Exit readiness

(IPO, GAAP conversion, vendor due diligence, value creation, investor relations, exit preparation, sale mandates, exit structuring)

#### Distressed

(Debt syndication, bank intermediation, restructuring, working capital management, cost reduction, insolvency, and bankruptcy advisory)



#### Assurance

(Statutory audit, tax compliance, risk management, corporate governance advisory, internal audits and fraud reviews)

### Tax and Legal

(Tax advisory, tax accounting, ESOP advisory, global mobility, transfer pricing, and operating model effectiveness, tax policy and litigation, regulatory compliance)

### Fund assurance and management

(Fund and fund management company audit, portfolio valuation, controls and process design and review, tax and regulatory compliance)

### Buyside support

(Due diligence - financial, tax, business and commercial, forensics and background, HR, IT and environmental, modeling and valuations)

#### PE Value creation

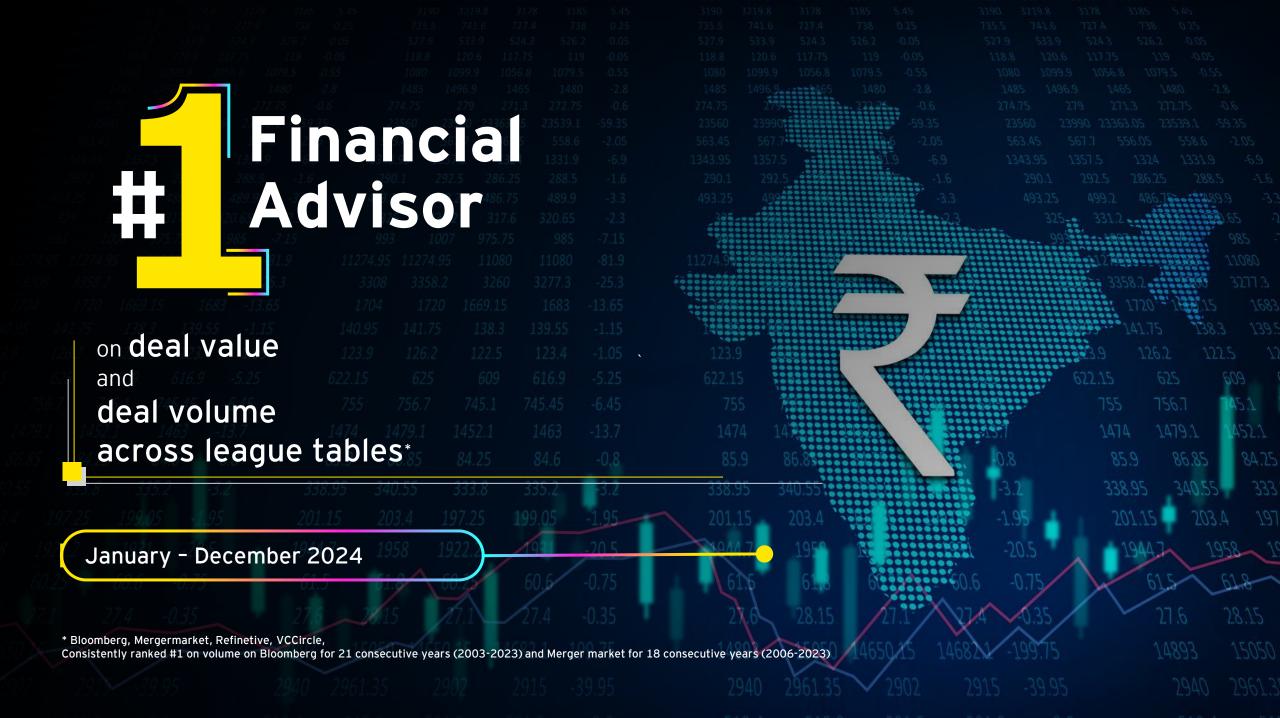
(Growth strategy, EBITDA improvement, Go to market)

#### Transition

(PMO, 100-days plan, transaction Integration, GAAP conversion, governance, controls assessment, MIS development, process advisory, standard operating procedures, CFO services and compliance manager)

#### Growth

(Strategic options, Value Creation, technology security, IT strategy, operational improvement, SCM, market entry options and working capital management)



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### **IVCA**

#### About IVCA

The Indian Private Equity & Venture Capital Association (IVCA), is the apex body promoting the Alternative Investment Funds (AIFs) in India and promotes stable, long-term capital flow (Private Equity (PE), Venture Capital (VC) and Angel Capital) in India.

With leading VC/ PE firms, institutional investors, banks, corporate advisers, accountants, lawyers and other service providers as members, it serves as a powerful platform for all stakeholders to interact with each other. Being the face of the Industry, it helps establish high standards of governance, ethics, business conduct and professional competence.

With a prime motive to support the ecosystem, it facilitates contact with policy makers, research institutions, universities, trade associations and other relevant organizations. Thus, support entrepreneurial activity, innovation and job creation.

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