

EY India M&A report

2026

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



Shape the future
with confidence



Deal alert



Shape the future
with confidence



has entered into definitive agreements
to acquire controlling stake in



Through a primary infusion of
US\$3 billion (INR26,850 crore)

Largest ever equity
fund raise in the
Indian banking
sector

Largest ever
Foreign Direct
Investment in the
Indian financial
services sector

Largest fund raise
via preferential
issuance by a listed
company in India

First acquisition of
majority interest in
a profitable Indian
bank by a foreign
bank

EY acted as the exclusive M&A advisor to Emirates NBD



Summary

India's deal activity in 2025 reflected a value-led recovery, with total deal value rising to US\$123.8 billion, an 18% year-on-year (YoY) increase, despite a moderation in deal volumes, which declined by 3% to 2,678 transactions. This dichotomy highlighted a market pivot toward fewer but larger transactions, underscoring investor preference for high-conviction, strategic assets over smaller or speculative plays.

With the ongoing volatility in geopolitical conditions creating a global impact, supply-chain disruptions are evident on many fronts. The extent of the impact will, however, likely become clearer over time, depending on the severity of supply-side disruptions and normalization thereafter. Before this, various sectors were also recalibrating to changes in tariff structures.

As sentiment turns cautious, closing cycles may lengthen and a sharper focus on due diligence can be expected. At the same time, the uncertainties reinforce the need for long-term planning, which is reflected in dealmakers' preference in 2025 for stable and resilient markets.

Cross-border M&A mirrored the broader theme of higher value concentration, with deal value jumping 155% to US\$33.2 billion, even as volumes fell 25%. The surge was driven largely by inbound deals, signalling strong foreign investor confidence in India despite global macro headwinds and persistent trade frictions in some corridors. December 2025 emerged as the peak month for cross-border value flows. There was renewed interest in Indian assets across infrastructure, technology and industrials, as global corporates sought to diversify value chains and build strategic relationships in markets that combine scale with policy stability.

Among sectors, Industrials and Auto delivered the strongest value expansion, recording a remarkable 105% increase in deal value alongside a 4% rise in volumes. Financial Services followed with a 105% jump in value, even though volumes remained broadly stable at 4%, pointing to a market defined by large-ticket consolidation and renewed balance sheet strengthening. Deal activity by volume was led by Consumer Products and Retail, which recorded 393 deals in 2025, while Technology ranked second with 354 transactions, reflecting sustained investor interest despite muted volume growth. Infrastructure and Technology both experienced declines in volume but strong value expansion, registering 35% and 44% respectively, supported by investors' push to secure strategic and long-term positions in segments exposed to global manufacturing shifts, data-center build-out and AI-linked demand.

India's 2026 Union Budget strengthens the M&A outlook through investment-led growth measures, such as major boosts to infrastructure, biopharma and semiconductors, and improved regulatory certainty, with incentives like tax holidays for foreign cloud service providers expected to support cross-border technology deals. Meanwhile, the India-EFTA TEPA, effective October 2025, commits US\$100 billion in investments and expands market access, enhancing long-term trade and capital flows. These policy shifts are complemented by a wider reform and trade agenda, including active engagement on new trade agreements and a sharper focus on quality, anti-dumping measures and manufacturing competitiveness, which together aim to position India as a "sweet spot" for investors seeking growth, geopolitical alignment and integration into diversified value chains.

These dynamics reinforce a stabilizing 2025 deal landscape marked by resilient value trends, steady PE participation, strong inbound interest and supportive macro fundamentals, which the India-UK FTA (effective April 2026) and the US interim trade framework (February 2026) augment through market access and investment opportunities ahead.

Against a backdrop of geopolitical volatility and its impact, dealmakers will look for more a mature and high-value dealmaking environment in 2026.

“

India's policy credibility and domestic scale position it as the standout destination for transformative bets in manufacturing, infrastructure and advanced technology. Dealmaking activity in India showed discipline, with cross-border inflows surging 155% despite fewer transactions in 2025. Investors are not stepping away from India; they are becoming more selective. Instead of pursuing multiple smaller opportunities, they focused on deals that offered long-term relevance at valuations that made sense amidst heightened business risk premium.



Amit Khandelwal
Managing Partner,
Strategy and Transactions,
EY India and Africa region



Transactions snapshot

A value-driven year marked by strong deal momentum despite moderated volumes.

			2025	2024	Year-on-year	
Transactions overview	M&A	Value	63.1	50.1	▲	26%
		Volume	1,206	1,414	▼	-15%
	PE	Value	60.7	56.2	▲	8%
		Volume	1,475	1,354	▲	9%
	Cross-border M&A	Value	33.2	13.0	▲	155%
		Volume	318	424	▼	-25%
	Big deals (above US\$100 million)	Value	95.4	78.5	▲	22%
		Volume	221	221	■	0%
Key sectoral overview	Infrastructure	Value	24.6	18.2	▲	35%
		Volume	249	303	▼	-18%
	Industrial and Auto	Value	13.1	6.4	▲	105%
		Volume	367	352	▲	4%
	Consumer Products and Retail	Value	9.0	10.6	▼	-15%
		Volume	393	359	▲	10%
	Lifesciences	Value	8.5	12.5	▼	-32%
		Volume	224	238	▼	-6%
	Technology	Value	12.8	8.9	▲	44%
		Volume	354	357	▼	-1%
	Financial Services	Value	23.2	11.3	▲	105%
		Volume	310	313	▼	-1%

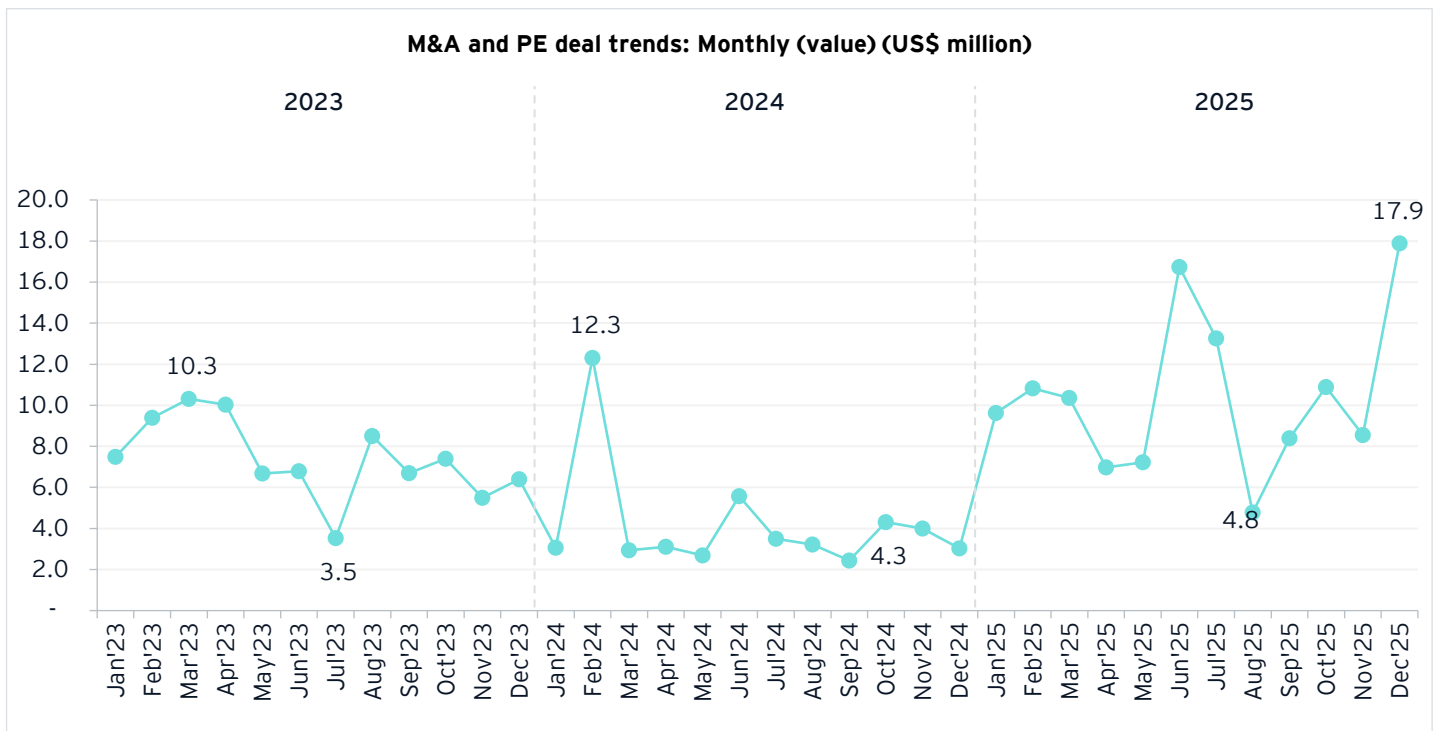
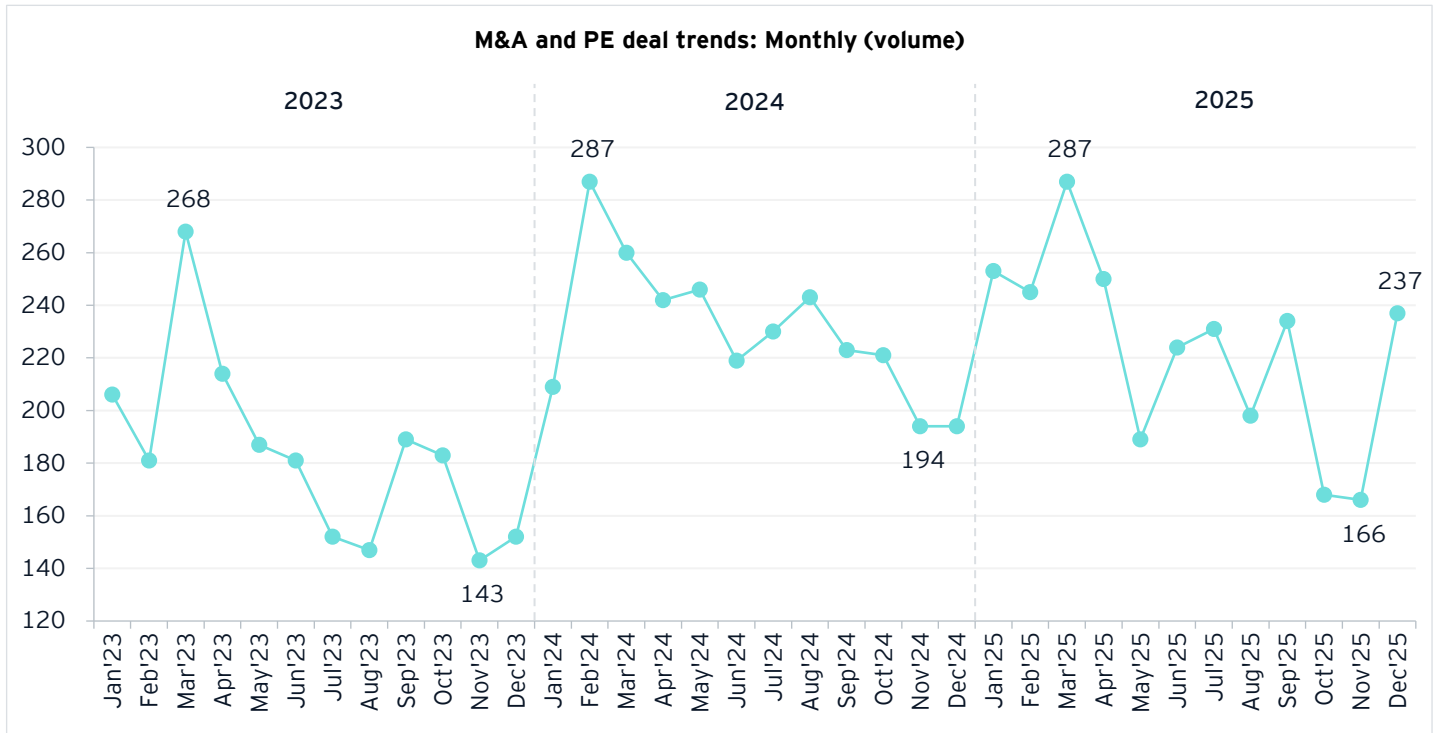
Value denoted in US\$ billion

Source: EY analysis of deal databases

Tracking momentum

Monthly trends

Deal activity stayed resilient, with strong value flows despite fluctuating monthly volumes.

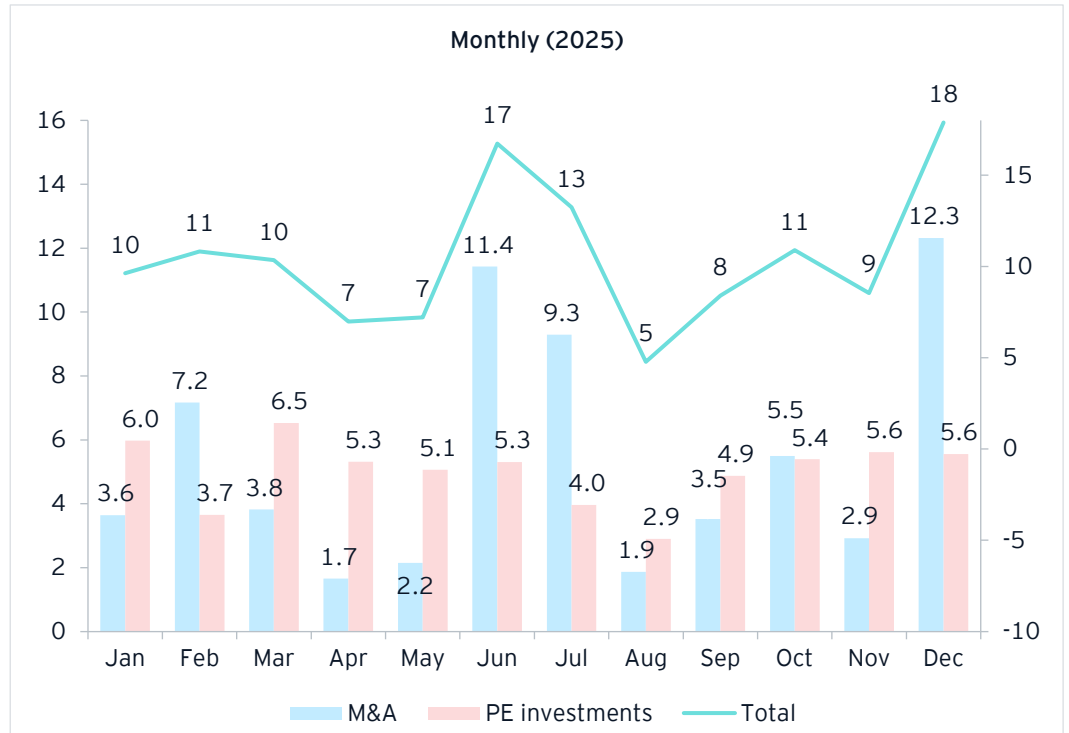
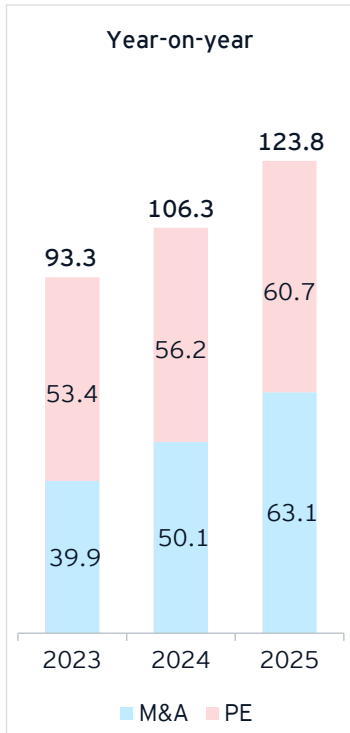


Source: EY analysis of deal databases

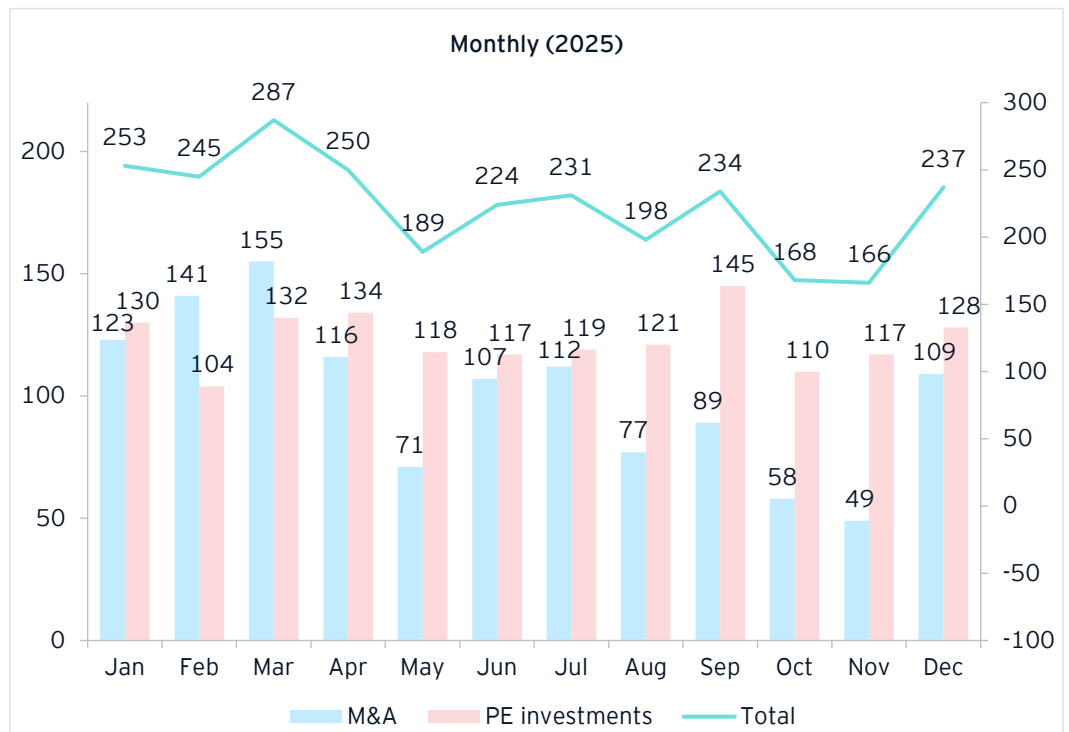
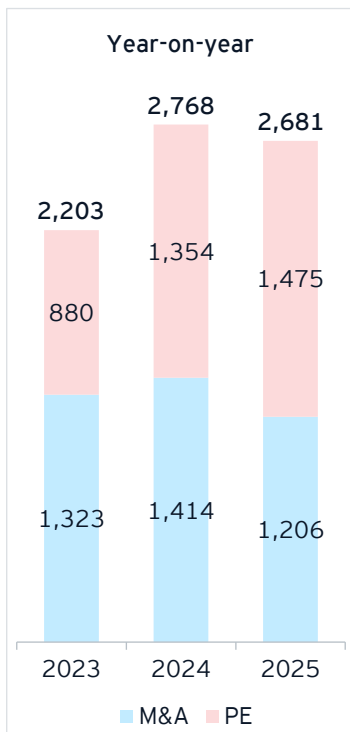
Tracking momentum

Yearly and monthly trends

M&A and PE deal trends (value) (US\$ billion)



M&A and PE deal trends (volume)

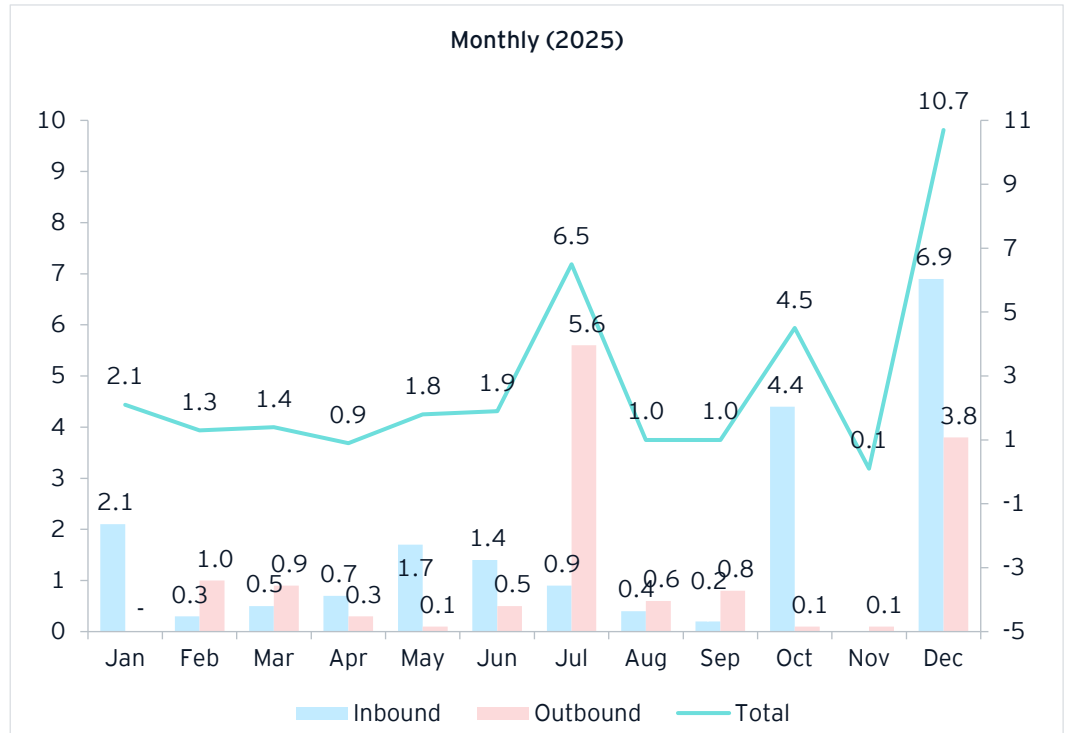
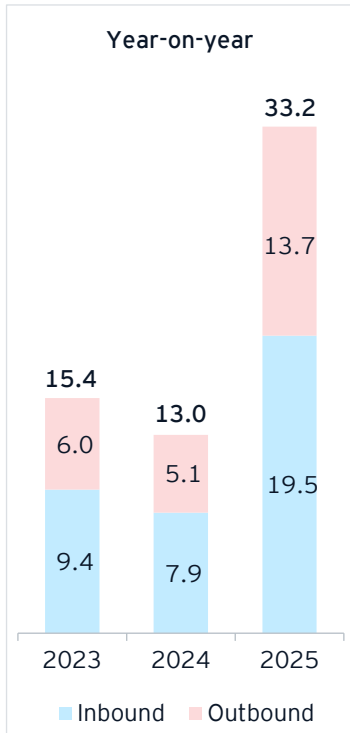


Source: EY analysis of deal databases

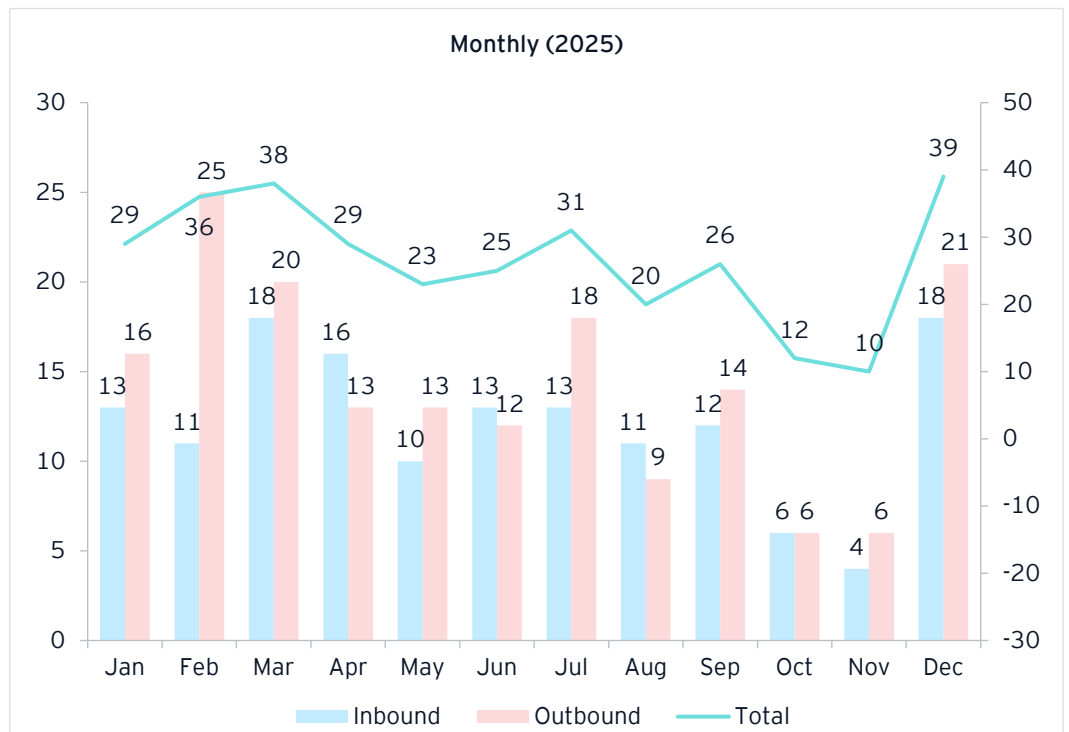
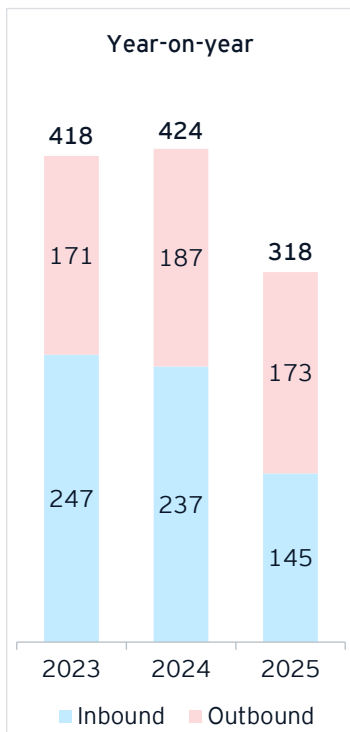
Mergers and acquisitions

Cross-border deal activity

Cross-border deal trends (Value) (US\$ billion)



Cross-border deal trends (volume)



Source: EY analysis of deal databases

Mergers and acquisitions

Cross-border deal activity

Top M&A cross-border deals in 2025

Month	Target	Acquirer	Sector	Deal value (US\$m)	Deal type	Deal stake (%)
July	Iveco Group	Tata Motors	Automotives	4,450	M&A - Outbound	100
December	Shriram Finance	Mitsubishi UFJ Financial Group	NBFC	4,400	M&A - Inbound	20
October	RBL Bank	Emirates NBD	Bank	4,387	M&A - Inbound	62
December	Encora Digital	Coforge	Technology	2,350	M&A - Outbound	100
May	Yes Bank	Sumitomo Mitsui Banking Group	Bank	1,509	M&A - Inbound	24
July	Greenko Energy Holdings	AM Green	Power	1,462	M&A - Inbound	18
July	AWL Agri Business	Wilmar International - Lence	Food and Beverages	829	M&A - Inbound	20
February	Owens Corning (Glass reinforcement business)	Praana Group	Diversified Industrial Products	755	M&A - Outbound	100
December	Coastal Cloud	TCS	Technology	700	M&A - Outbound	100
June	SLK Software	Altimetrik Corp	Technology	500	M&A - Inbound	100

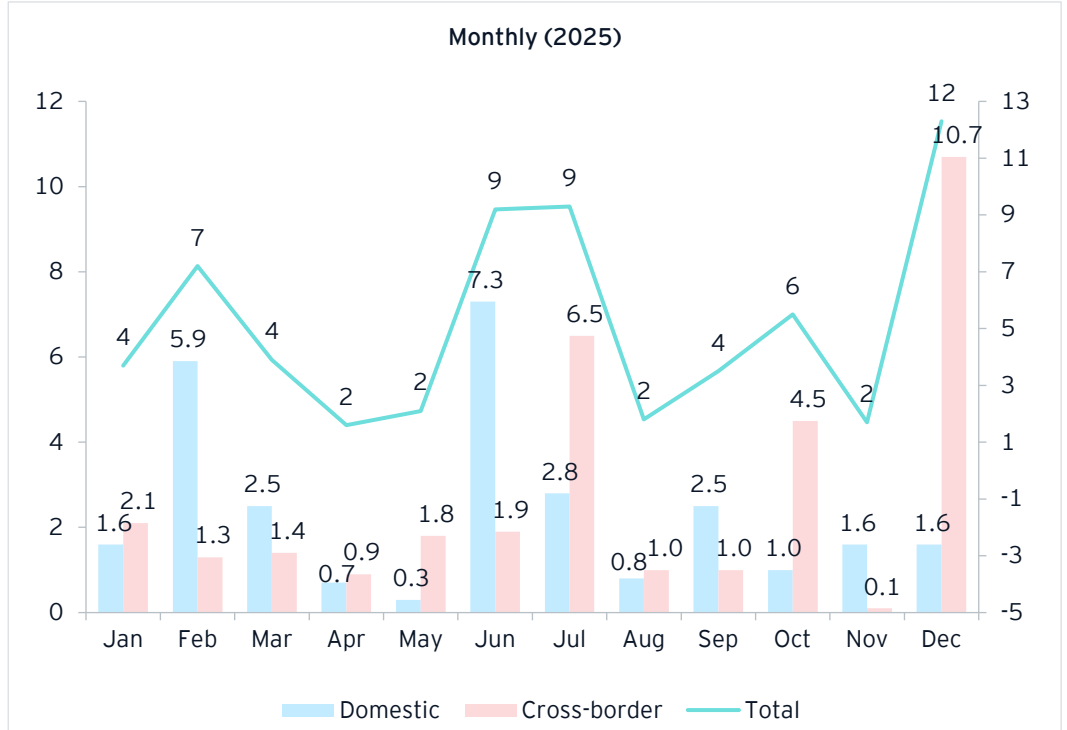
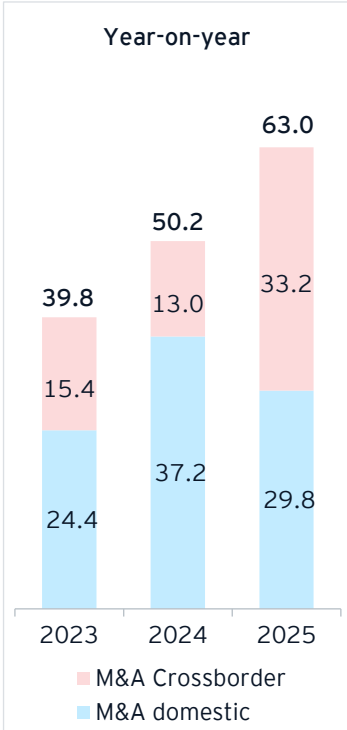
- Cross-border deal activity in 2025 recorded its highest annual deal value at US\$33.2 billion, reflecting a strong increase of 155% over 2024 and 115% compared to 2023. The year has been characterized by a concentration of value in select months and transactions, underscoring a more discerning and strategic approach by dealmakers. December 2025 emerged as the strongest month for outbound activity, with total cross-border deal value reaching US\$11 billion, of which inbound transactions accounted for US\$6.9 billion highlighting continued foreign strategic and financial investor interest in Indian assets. In contrast, July 2025 stood out as the best-performing month for outbound activity, recording a total deal value of US\$6 billion, with outbound transactions contributing US\$5.6 billion.
- Despite the robust value performance, cross-border deal volumes remained uneven through the year. November 2025 recorded just 10 cross-border transactions, the lowest monthly volume in 2025, while December witnessed the highest activity with 39 deals. This divergence between deal value and volume reinforces a clear shift towards fewer but larger, high-conviction cross-border transactions, as investors prioritized scale, strategic fit and long-term growth opportunities amid global macroeconomic uncertainty.

Source: EY analysis of deal databases

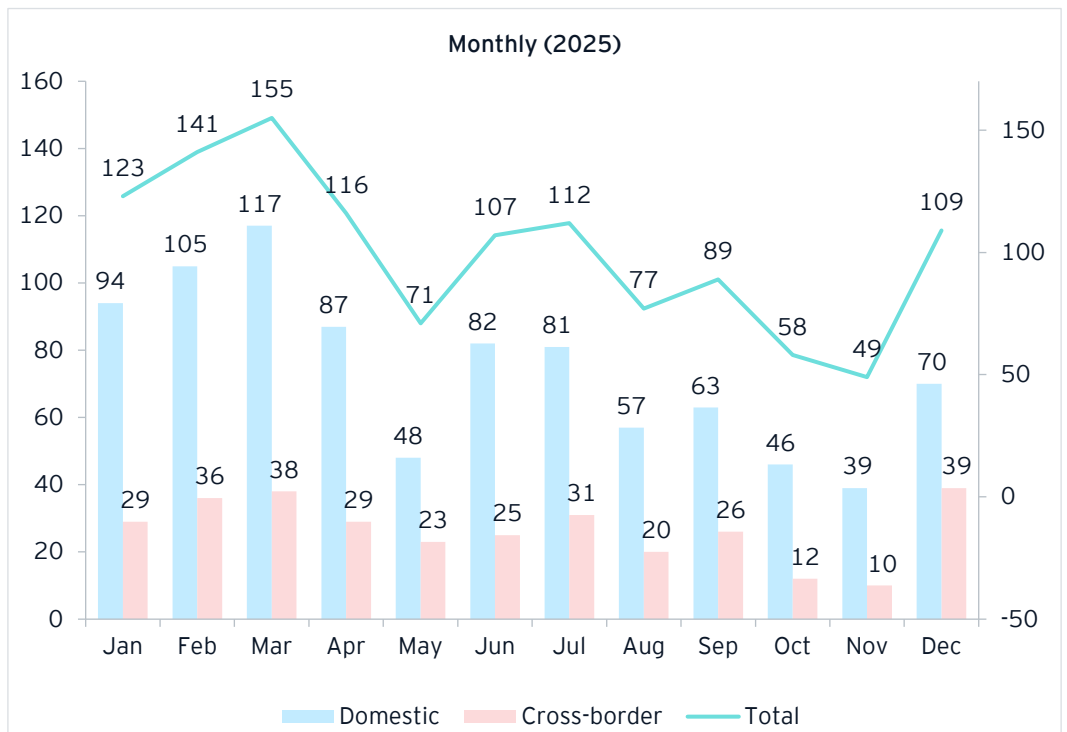
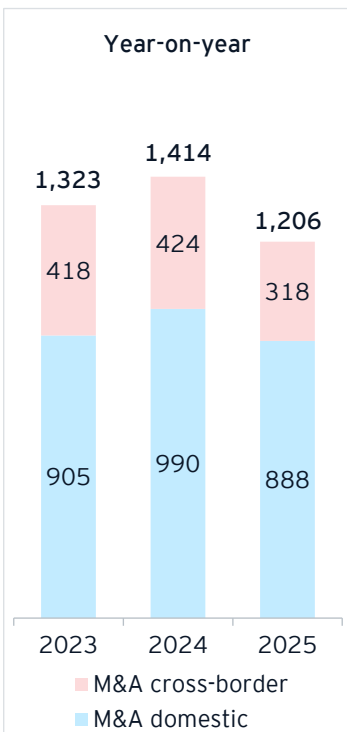
M&A

Deal split and top deals

M&A deal split (value) (US\$ billion)



M&A deal split (volume)



Source: EY analysis of deal databases

M&A

Deal split and top deals

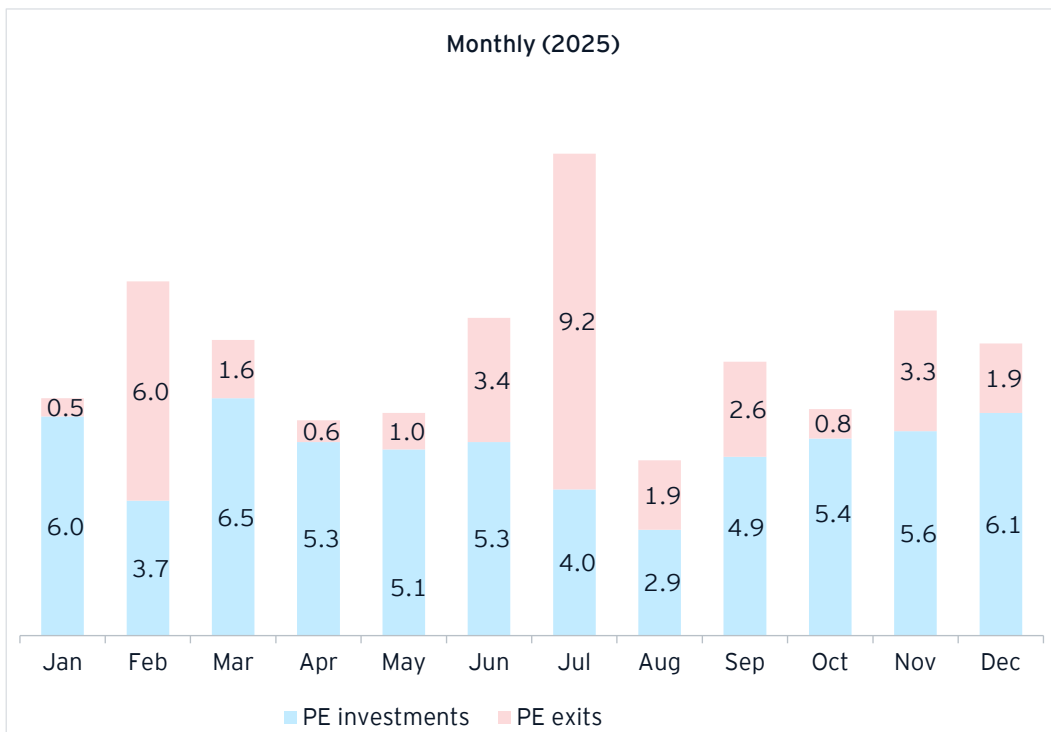
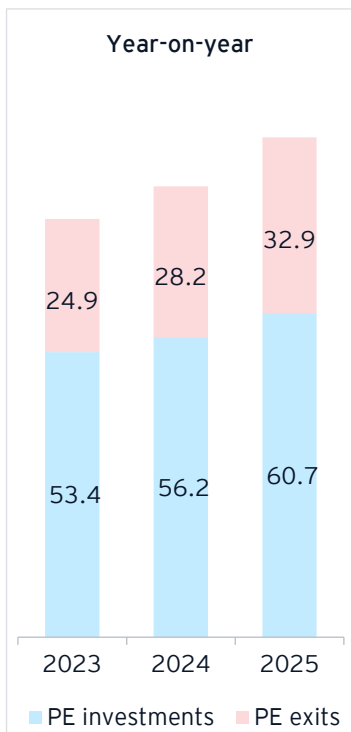
Top M&A deals in 2025

Month	Target	Acquirer	Sector	Deal value (US\$m)	Deal type	Deal stake (%)
March	Ayana Renewables Power	ONGC NTPC	Power	2,247	M&A - Domestic	100
November	Dilip Buildcon - 7 toll road projects	Antham Highways Trust (Alpha Alternative Funds)	Roads and Highways	2,000	M&A - Domestic	100
February	KSK Mahanadi Power	JSW Energy	Thermal Power	1,838	M&A - Domestic	100
June	JB Chemicals & Pharmaceuticals	Torrent Pharmaceuticals	Pharmaceuticals	1,479	M&A - Domestic	72
June	AkzoNobel India	JSW Paints	Cement and Building Products	1,098	M&A - Domestic	75
July	Sahyadri Hospitals	Manipal Health Enterprises	Healthcare	702	M&A - Domestic	NA
July	Island Star Mall Developers	Pheonix Mills	Real Estate	632	M&A - Domestic	49
December	Macquarie Corporate Holdings - Vibrant energy	Inox Clean Energy (INOXGFL)	Power	550	M&A - Domestic	100
July	Pernod Ricard - Imperial Blue Division	Tilaknagar Industries	Food and Beverages	472	M&A - Domestic	100
March	Aditya Birla Real Estate - Century Pulp and Paper business	ITC	Diversified Industrial Products	409	M&A - Domestic	100

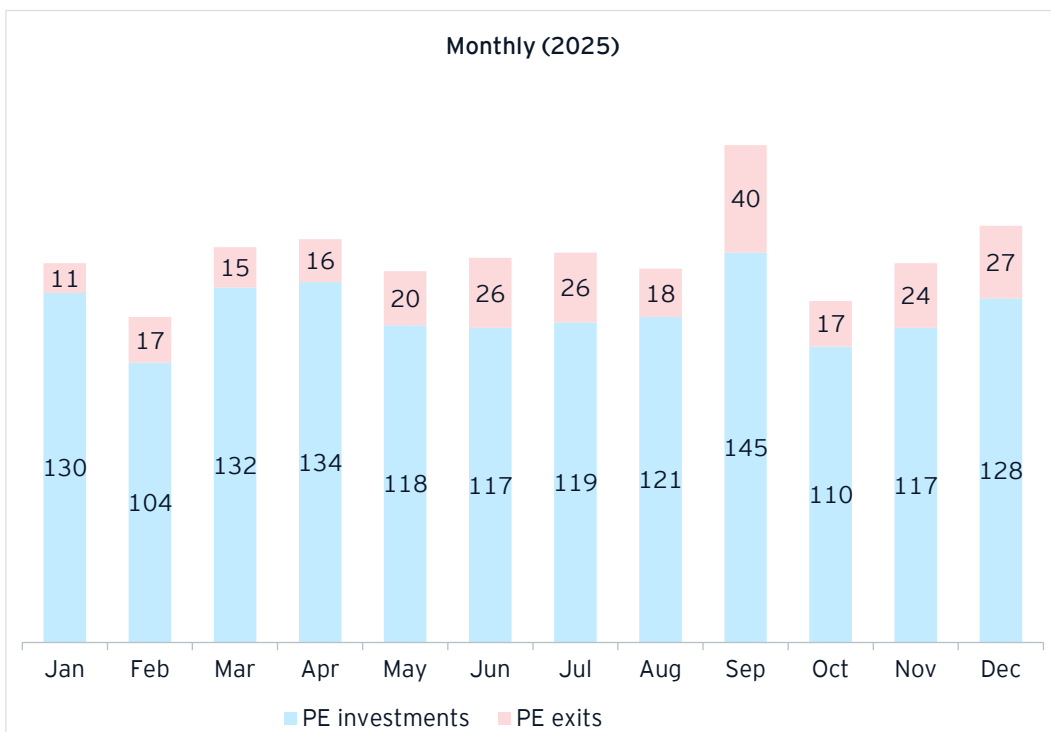
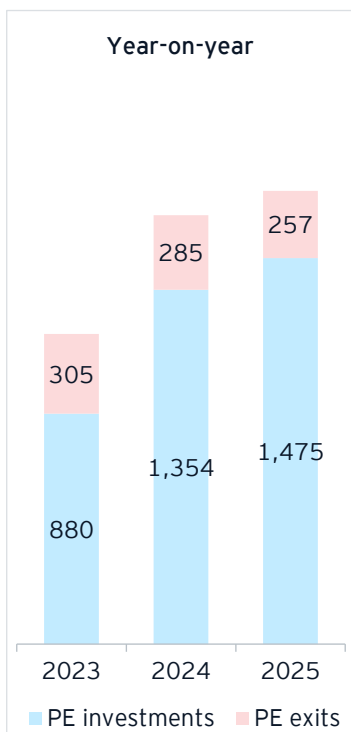
Source: EY analysis of deal databases

PE Deal split and top deals

PE deal split (value) (US\$ billion)



PE deal split (volume)



Source: EY analysis of deal databases

PE

Deal split and top deals

Top PE deals in 2025

Month	Target	Acquirer	Sector	Deal value (US\$m)	Deal type	Deal stake (%)
January	Access Healthcare	New Mountain Capital	Technology	1,500	PE - Buyout	NA
March	Haldiram Snacks Food	Temasek, International Holding Company & Alpha Wave	Food and Beverages	1,536	PE - Growth	16
November	Ecoworld (a 7.7 million sq ft Grade A office campus in Bengaluru)	Brookfield India REIT	Real Estate	1,475	PE - Buyout	100
April	Nexgen Energia	Capital Edge	Power	1,000	PE - Growth	NA
October	Sammaan Capital	International Holding Company	NBFC	1,000	PE - PIPE	43
November	TCS - Hypervault Data Center	TPG	Real Estate	1,000	PE - Growth	NA
July	Aavas Financiers	CVC Capital	Financial Services	949	PE - PIPE	49
April	IDFC First Bank	Abu Dhabi Investment Authority, Warburg Pincus	Financial Services	860	PE - PIPE	15
March	Siemens Gamesa's wind biz in India, Sri Lanka	TPG - Rise Climate Fund, Mavco Investments, Others	Power	819	PE - Buyout	100
December	Haier Appliances India	Bharti Enterprises, Warburg Pincus	Consumer Products & Retail	817	PE - Growth	49

Source: EY analysis of deal databases

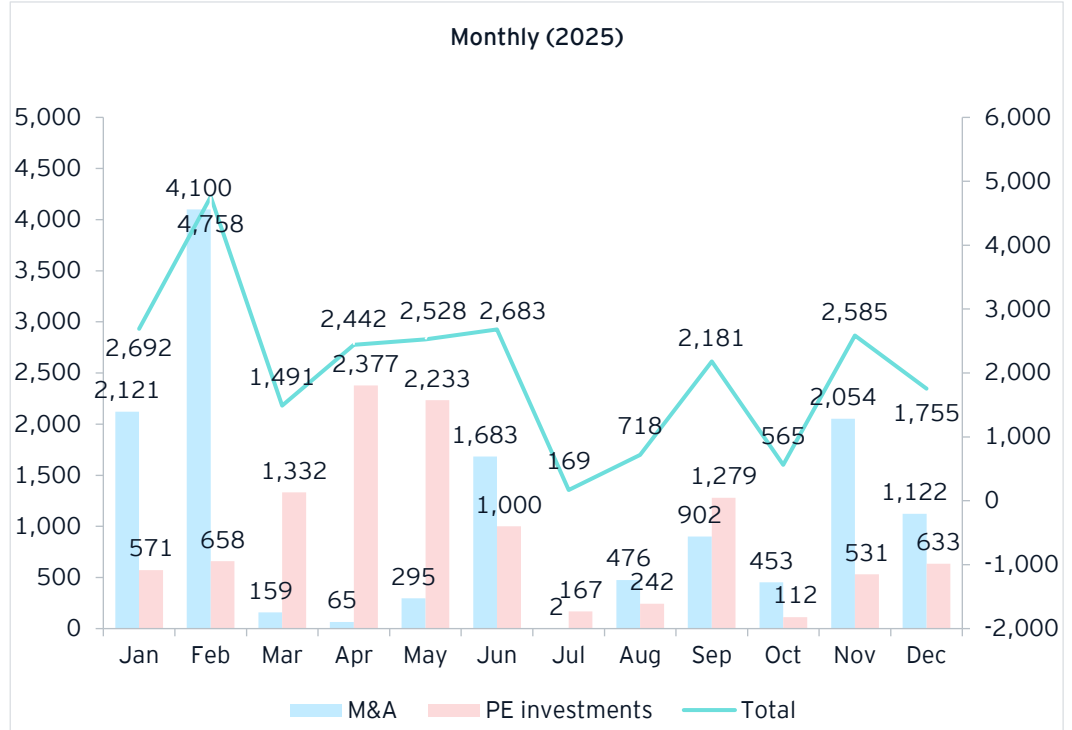
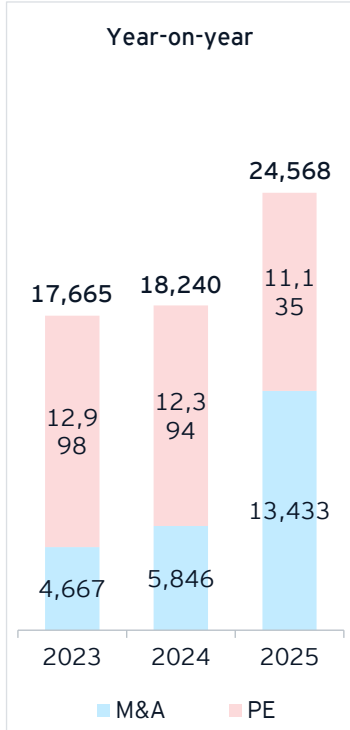


Sectoral
analysis

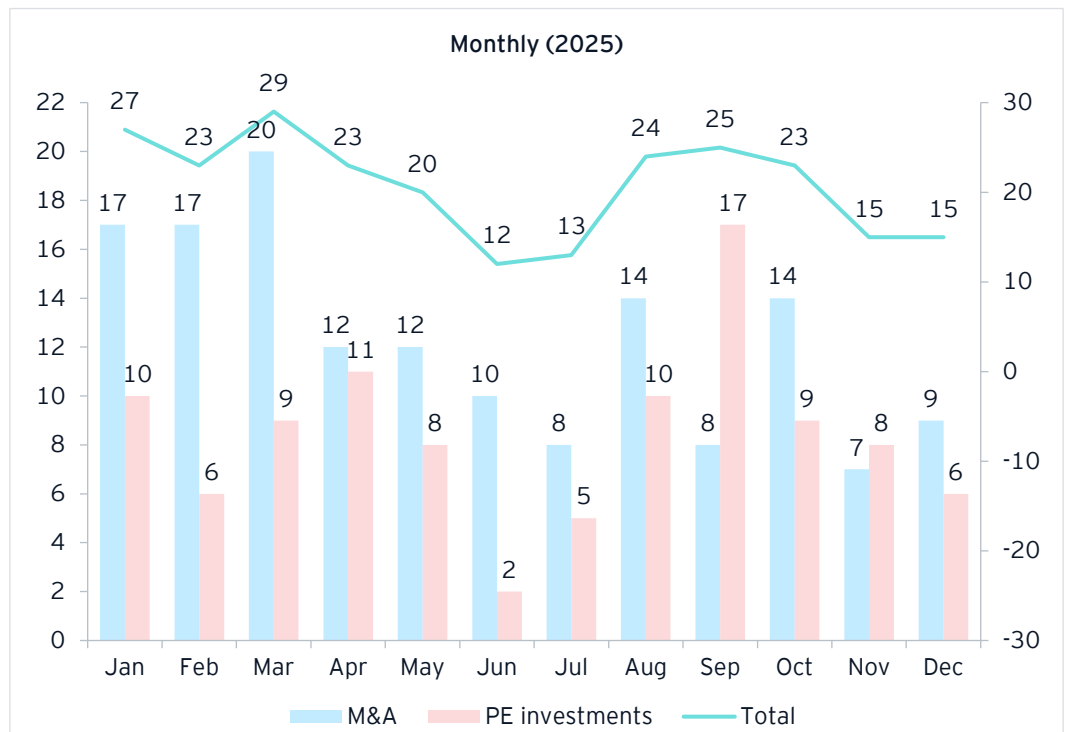
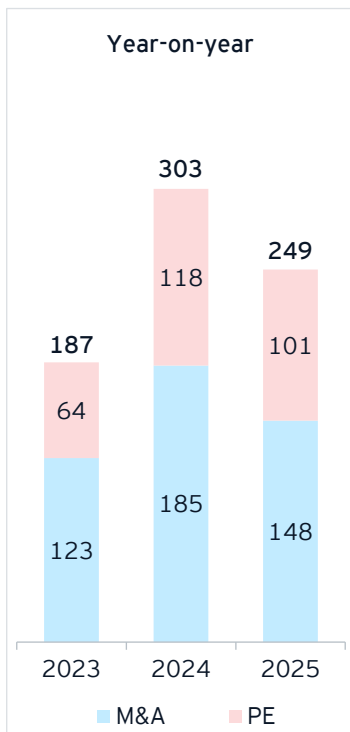
Sector analysis

Infrastructure

M&A and PE deal trends (value) (US\$ million)



M&A and PE deal trends (volume)



Source: EY analysis of deal databases

Sector analysis

Infrastructure

Key deals in 2025

Month	Target	Acquirer	Sector	Deal value (US\$m)	Deal type	Deal stake (%)
February	Ayana Renewables	ONGC NTPC Green	Diversified Cleantech	2,246	M&A - Domestic	50
November	Dilip Buildcon - 7 toll road projects	Antham Highways Trust (Alpha Alternative Funds)	Roads and Highways	2,000	PE - Buyout	100
April	Nexgen Energia	Capital Edge	Diversified Cleantech	1,000	PE - Growth	NA
March	Siemens Gamesa - Wind Business in India & Sri Lanka	TPG - Rise Climate Fund, Mavco Investments, Others	Diversified Cleantech	819	PE - Buyout	100
January	Statkraft (Renewable projects)	Serentica Renewables, JSW Energy & LNJ Bhilwara	Diversified Cleantech	671	M&A - Domestic	100
June	NIIF - 2 road assets in Kashmir	Cube Highways Trust	Roads and Highways	461	PE - Buyout	100
January	Jakson Green 's 1 GW solar energy portfolio	Blueleaf Energy (a Macquarie Capital company)	Diversified Cleantech	400	PE - Buyout	100
December	Aditya Birla Renewables	Global Infrastructure Partners	Diversified Cleantech	333	PE - Growth	21
November	ReNew Energy Global	ADB - Leap 2	Diversified Cleantech	331	PE - Growth	NA
March	National Highways Infra Trust	CPPIB	InvIT	243	PE - PIPE	NA

Source: EY analysis of deal databases

Sector analysis

Infrastructure

Key growth drivers

- **From projects to platforms**
India's infrastructure sector is shifting from standalone projects to large, scalable platforms, supported by sustained government capex, policy stability and long-term financing.
- **Capex-led policy momentum**
Since the 2021 Union Budget, infrastructure spending has steadily increased, with FY26 allocation at INR11.21 lakh crore (~3.1% of GDP), reinforcing long-term growth.
- **Roads and highways as the core driver**
Roads remain central, with INR2.7 lakh crore allocated to MoRTH in FY26 and NHA consistently delivering 4,200-6,500 km of highways annually. India is developing 27 expressways spanning ~9,860 km with ~INR4.2 lakh crore investment, alongside major state-led connectivity projects.
- **Logistics and multimodal push**
The MMLP program targets 35 multimodal logistics parks, complemented by port connectivity initiatives to improve freight efficiency and reduce logistics costs.
- **Evolved PPP framework**
Improved concession structures and policy clarity under the Viksit Bharat 2047 vision have strengthened private participation across roads, ports, renewables and logistics.
- **InvITs and innovative financing**
InvITs now manage assets exceeding INR7 lakh crore, expanding beyond roads and power into renewables, digital infrastructure, ports, airports and warehousing.
- **Modernization and sustainability focus**
Developers are adopting greener construction, AI, analytics and modular technologies to enhance efficiency, safety and long-term asset performance.
- **Pivot toward scalable green infrastructure**
The acceleration of green hydrogen construction and digital infrastructure investment is being catalyzed by a landmark shift in energy economics, as battery storage costs begin their irreversible decline below the cost of traditional pumped storage.

Outlook 2026

Looking ahead to 2026, the M&A infrastructure in India is expected to witness increased investments driven by government initiatives, enhanced regulatory support and a focus on technological integration. The emphasis on sustainability will further influence M&A strategies, leading to a rise in green infrastructure projects. Additionally, consolidation among smaller firms may occur as competition intensifies, resulting in a market with fewer but larger players. Overall, the landscape is set for significant transformation, aligning with global trends and strategic growth opportunities.



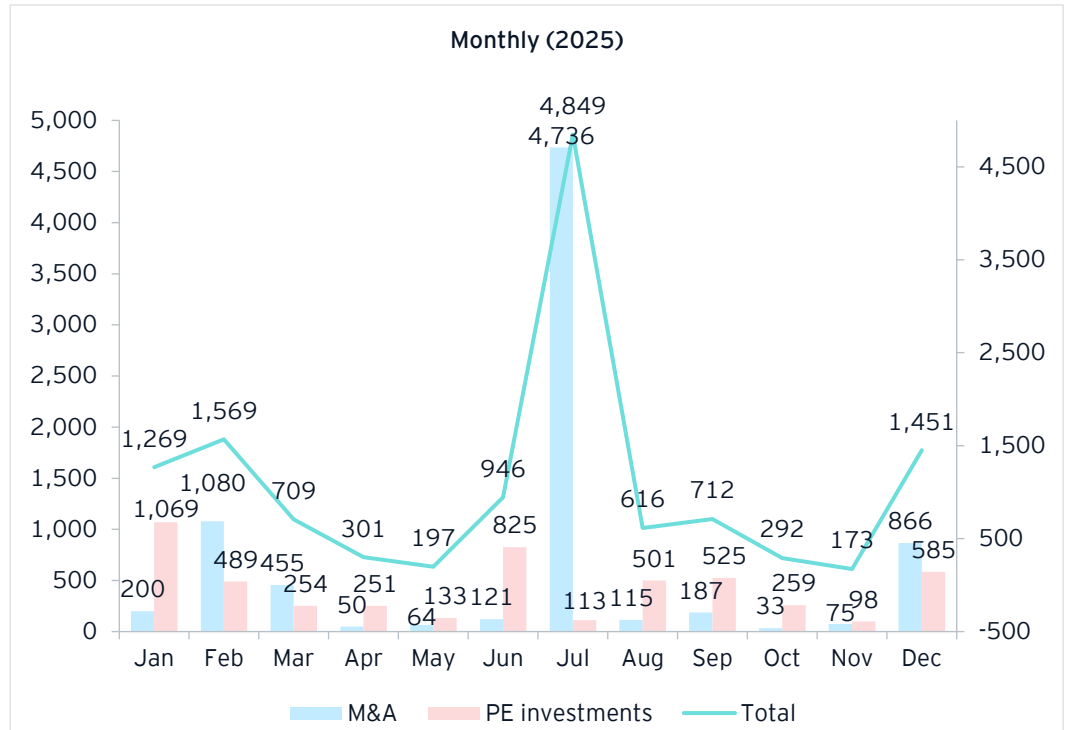
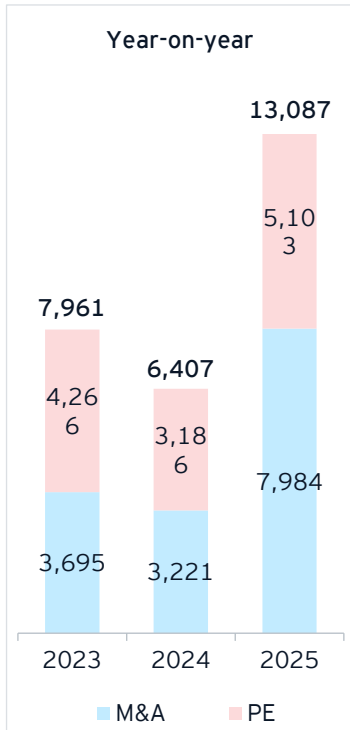
Kuljit Singh

Partner
Infrastructure - Investment Banking
EY India

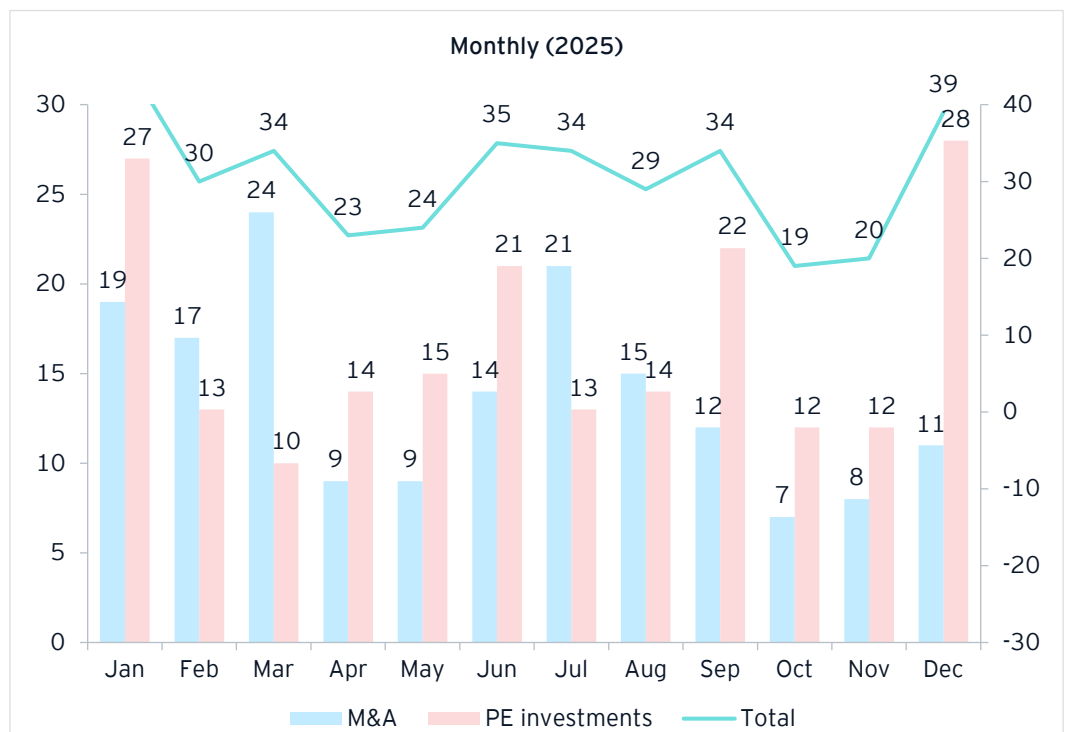
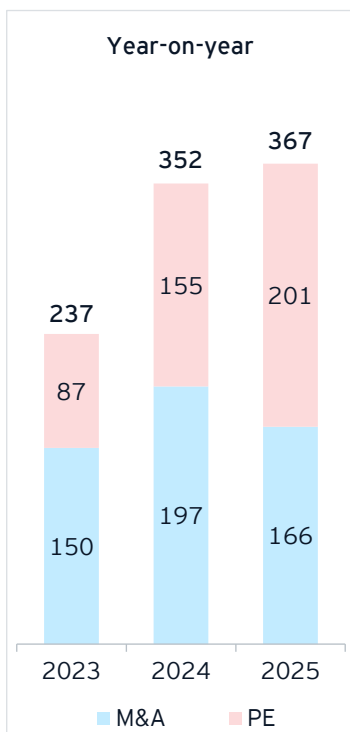
Sector analysis

Industrials and Auto

M&A and PE deal trends (value) (US\$ million)



M&A and PE deal trends (volume)



Source: EY analysis of deal databases



Sector analysis

Industrials and Auto

Key deals in 2025

Month	Target	Acquirer	Sector	Deal value (US\$m)	Deal type	Deal stake (%)
July	Iveco Group	Tata Motors	Automotives	4,450	M&A - Outbound	100
February	Owens Corning (Glass reinforcement business)	Praana Group	Diversified Industrial Products	775	M&A - Outbound	100
February	Highway Industries	Carlyle	Automotives	400	PE - Buyout	65
January	Dhoot Transmissions	Bain Capital	Automotives	400	PE - Growth	40
February	EPL	Indorama Netherlands	Diversified Industrial Products	220	M&A - Inbound	25
December	Stylam Industries	Aica Kogyo	Diversified Industrial Products	220	M&A - Inbound	53
January	Pravesha Industries	PAG	Diversified Industrial Products	200	PE - Buyout	>50
December	Grupo Antolin India, Antolin Lighting India, Grupo Antolin Chakankar	Shriram Pistons	Automotives	185	M&A - Domestic	100
December	Valuedrive Technologies (Spinny)	Accel India, Westbridge Capital	Automotive	160	PE - Startup	9
January	Flash Electronics India	Minda Corp	Automotive	159	M&A - Domestic	49

Source: EY analysis of deal databases

Sector analysis

Industrials and Auto

Key growth drivers

- **PE capital surges into high-value manufacturing**
PE investors remain highly active in manufacturing and are gravitating towards engineered products, auto components, precision manufacturing and electronics.
- **Consolidation wave in PE-backed platforms**
Sponsors are deploying buy-and-build strategies to broaden product portfolios and drive cost efficiencies, increasingly using bolt-on acquisitions ahead of exit to strengthen strategic positioning and enhance valuation multiples.
- **Cross-border M&A momentum accelerates**
Indian industrial and automotive players are accelerating acquisitions of strategic global assets (both within India and overseas) to gain access to advanced technologies and expand their customer base.
- **Capital flocks to emerging value chains: Data centers and renewables**
Data centers are attracting strong financial interest as digital consumption and cloud adoption accelerate nationwide. Renewables continue to draw meaningful capital, with investors prioritizing solar, hybrid, storage and integrated clean-energy platforms.
- **EMS emerges as India's next manufacturing engine**
Investors are backing capacity expansion and deeper vertical integration as the sector moves beyond assembly into higher-value capabilities, including PCB manufacturing, component design and semiconductor-adjacent services.
- **Logistics transformation into a tech-enabled, integrated ecosystem**
Investment interest spans integrated logistics networks and digital freight platforms, with consolidation accelerating as asset-light tech players join asset-heavy operators—supported by a sharp reduction in logistics costs, estimated at 7.97% of GDP, down from earlier estimates of 13%-14%.
- **Aerospace and defense (A&D) enters a high-growth phase**
With the Union Budget for FY27 allocating US\$85.6 billion (~15% of total expenditure) to A&D, private-sector participation is accelerating amid localization mandates and rising export opportunities.

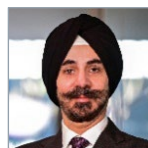
Source: EY analysis of deal databases

Outlook 2026

By 2026, India's manufacturing economy will be defined by deeper global integration, with cross-border M&A accelerating as companies acquire strategic assets, while PE capital increasingly concentrates on buy-and-build strategies to scale platforms and create competitive advantage.

Strategic and PE investment is surging into new-economy value chains—particularly data centers, renewables and clean-energy platforms—as investors chase resilient growth and energy-transition tailwinds.

Additionally, EMS and A&D will enter a high-growth phase driven by government investment incentives, domestic demand and expanding export opportunities.



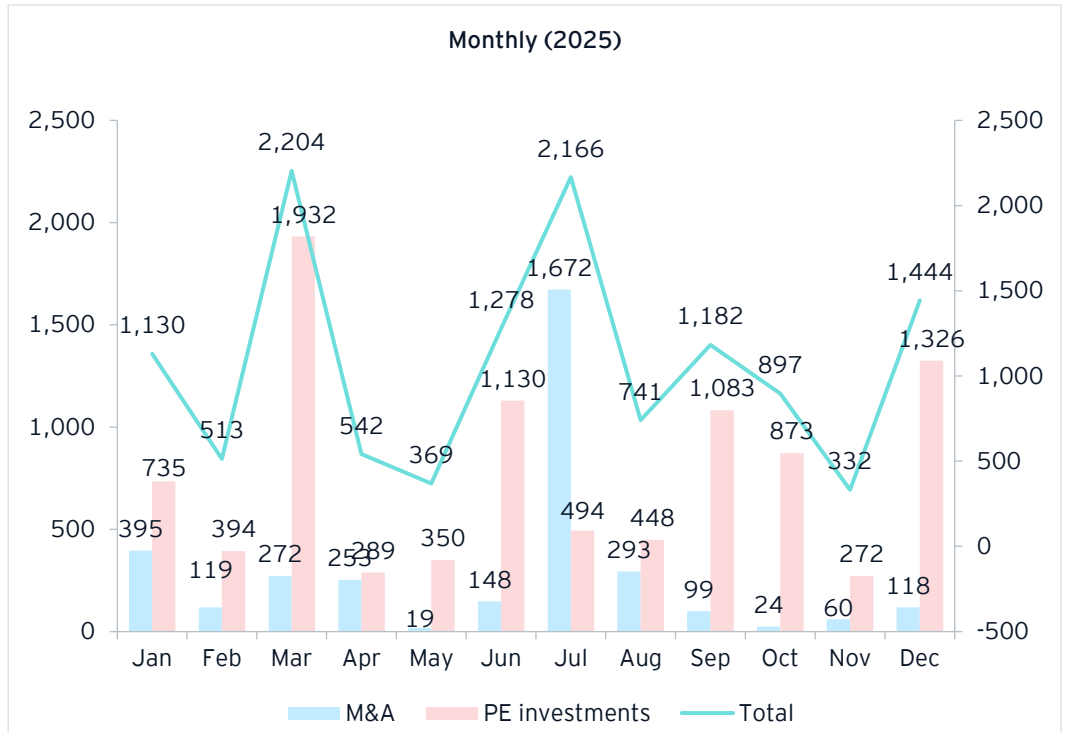
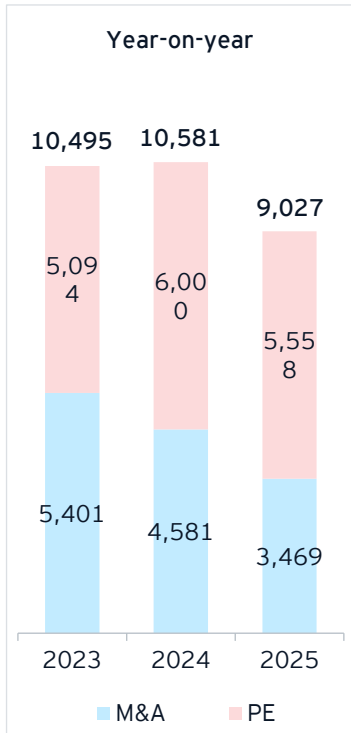
Randhir Kochar

Partner
Industrials & Auto - Investment Banking
EY India

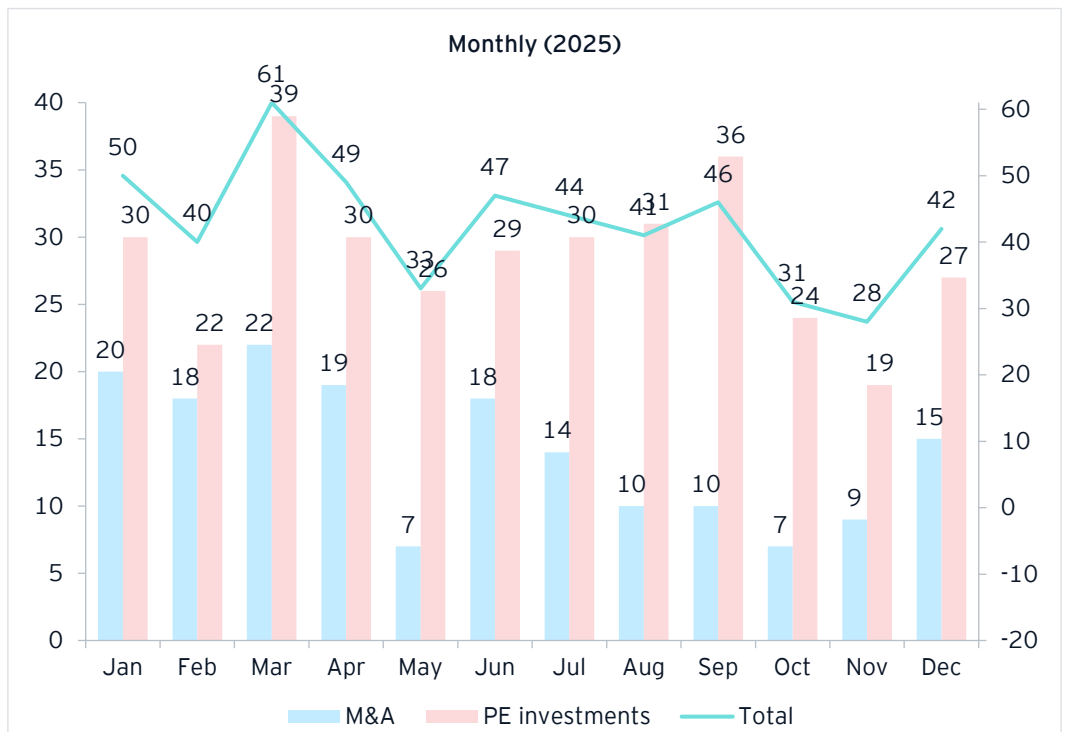
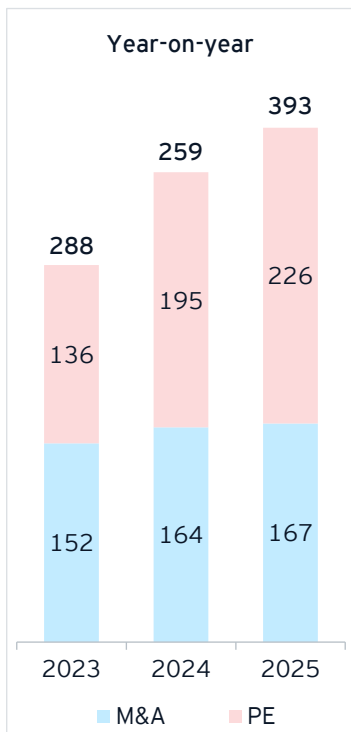
Sector analysis

Consumer Products and Retail

M&A and PE deal trends (value) (US\$ million)



M&A and PE deal trends (volume)



Source: EY analysis of deal databases

Sector analysis

Consumer Products and Retail

Key deals in 2025

Month	Target	Acquirer	Sector	Deal value (US\$m)	Deal type	Deal stake (%)
March	Haldiram Snacks Food	Temasek, International Holding Company & Alpha Wave	Food and Beverages	1536	PE - Growth	16
July	AWL Agri	Wilmar International - Lence	Food and Beverages	829	M&A - Inbound	20
December	Haier Appliances India	Bharti Enterprises, Warburg Pincus	Consumer Durable	817	PE - Growth	49
July	Pernod Ricard - Imperial Blue Business Division	Tilaknagar Industries	Food and Beverages	472	M&A - Domestic	100
October	Zepto	Nexus, Venture Partners, Lightspeed & others	E-Commerce	450	PE - Growth	6
January	Uprising Science	Hindustan Unilever	Consumer Durable	310	M&A - Domestic	91
January	Meesho	Tiger Global, Think Investments, Mars Growth Capital, Peak XV Partners and WestBridge Capital	E-Commerce	270	PE - Startup	7
July	Damas Jewellery	Titan Co	Fashion	189	M&A - Outbound	67
June	Hella Infra Market	Mars Growth Capital	E-Commerce	150	PE - Credit	NA
June	Jumbotail Technologies	SC Ventures, Artal Asia and others	E-Commerce	120	PE - Startup	12

Sector analysis

Consumer Products and Retail

Key growth drivers

- **Quick commerce transforming retail distribution**
Quick commerce is reshaping India's retail landscape through hyperlocal inventory, rapid delivery and data-led assortment, driving scale, consolidation and category expansion.
- **Private labels, AI and experience-led retail**
Retailers are scaling private labels to improve margins and speed innovation, while AI enables personalization and efficiency; experience-led formats are gaining consumer traction.
- **Incumbent-D2C strategic M&A**
Large consumer companies are collaborating with or acquiring scaled D2C brands to accelerate innovation, with beauty, personal care and food emerging as key M&A areas.
- **Unit economics driving differentiation**
Sustainable unit economics are becoming critical, with brands that balance growth, profitability and cost efficiency attracting higher investor and strategic interest.
- **Trade reforms and GST rationalization impact**
Expected trade and tax reforms may improve affordability and margins, intensifying competition and accelerating consolidation across premium and export-ready categories.
- **Home, lifestyle and experiential consumption upswing**
Urbanization and premiumization are fueling a consumption upcycle in home, lifestyle, dining, sports and pet care, supported by e-commerce and changing consumer behavior.

Outlook 2026

The retail and consumer sector enters 2026 with strong momentum, underpinned by rapid scaling of quick commerce, deeper assortment expansion and rising penetration across both staples and discretionary categories. As platforms mature, growth is expected to remain robust even as the focus shifts toward consolidation, private labels and improving unit economics. Traditional brands and D2C players alike are likely to treat q-commerce as core infrastructure rather than an experimental channel.

Meanwhile, a supportive policy backdrop, improving export economics and evolving consumer preferences are set to drive heightened M&A and capital activity through 2026. Home, lifestyle, beauty, packaged food and wellness are emerging as key beneficiaries of premiumization and aspirational spending, while disciplined marketing execution and AI-led personalization will increasingly differentiate winners. Overall, 2026 is shaping up to be a year of scaling efficiently, integrating ecosystems and building durable consumer franchises.



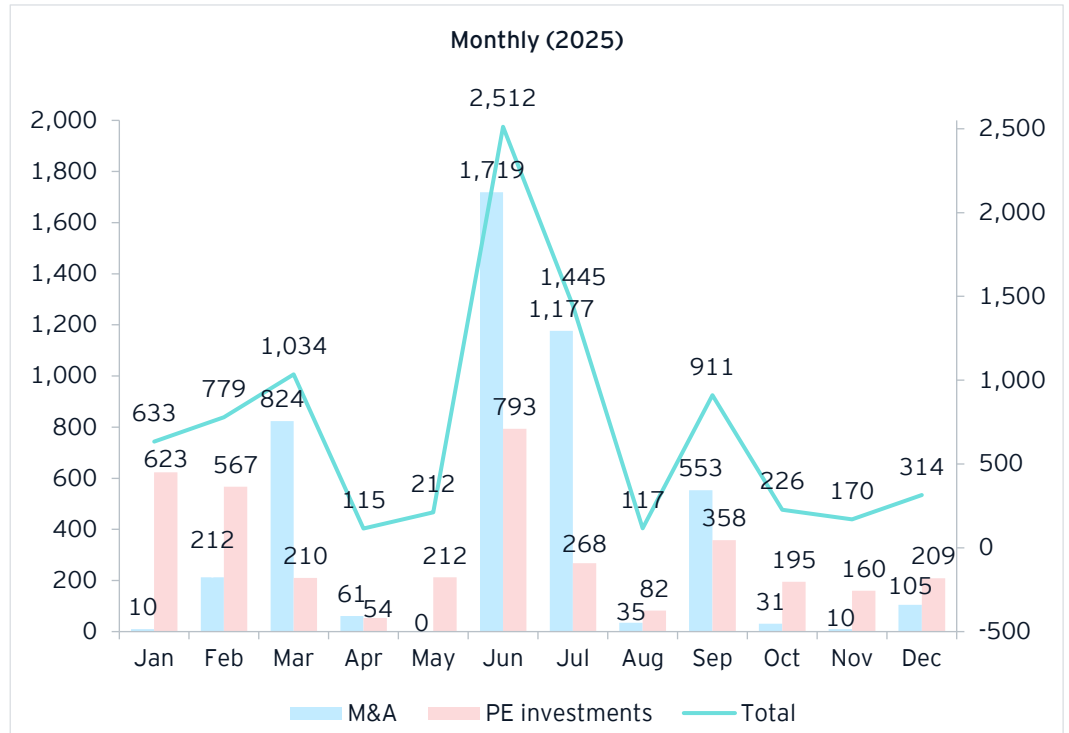
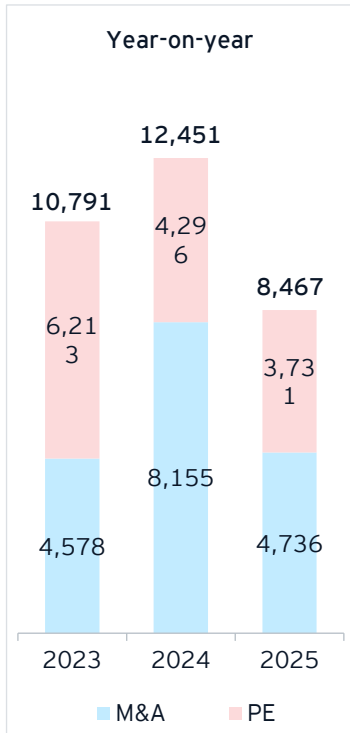
Nitin Gupta

Partner
Consumer Products & Retail
Investment Banking
EY India

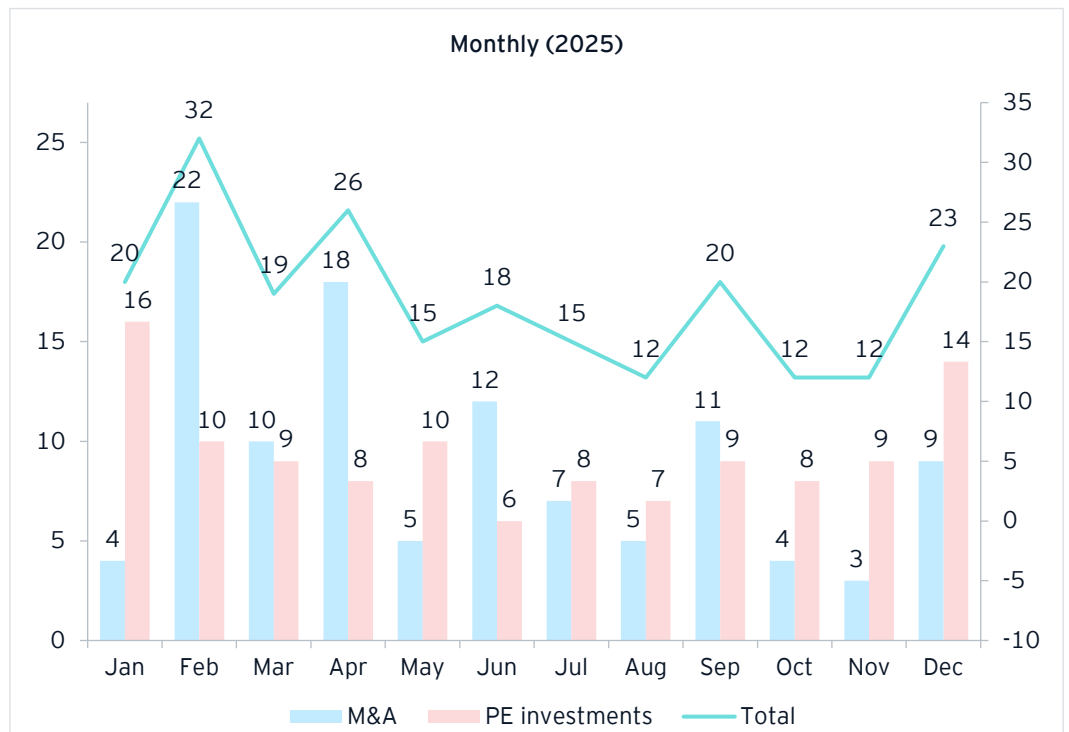
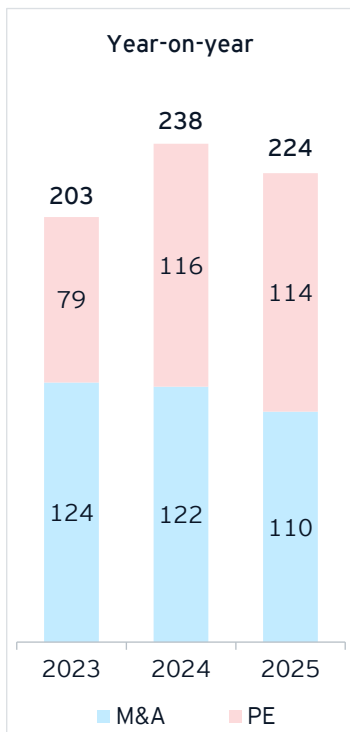
Sector analysis

Lifesciences

M&A and PE deal trends (value) (US\$ million)



M&A and PE deal trends (volume)



Source: EY analysis of deal databases

Sector analysis

Lifesciences

Key deals in 2025

Month	Target	Acquirer	Sector	Deal value (US\$m)	Deal type	Deal stake (%)
June	JB Chemicals & Pharmaceuticals (JB Pharma)	Torrent Pharmaceuticals	Pharmaceuticals	1,479	M&A - Domestic	46
July	Sahyadri Hospitals	Manipal Health Enterprises	Healthcare	702	M&A - Domestic	NA
March	Amplitude Surgical	Zydus Lifesciences	Pharmaceuticals	416	M&A - Outbound	100
February	Healthcare Global Enterprises	KKR	Healthcare	400	PE - Buyout	54
March	Checkpoint Therapeutics	Sun Pharmaceutical	Pharmaceuticals	367	M&A - Outbound	100
January	Innovaccer	B Capital Group, Banner Health, Danaher Ventures, Generation Investment Management, Kaiser Permanente and M12	Healthcare	275	PE - Growth	8
July	Lannette Company	Aurobindo Pharma	Pharmaceuticals	250	M&A - Outbound	100
July	Adcock Ingram Holdings	Natco Pharma	Pharmaceuticals	224	M&A - Outbound	36
July	Micro Life Sciences	Abu Dhabi Investment Authority	Healthcare	200	PE - Growth	3
June	Felix Pharmaceuticals	Advent International	Pharmaceuticals	175	PE - Growth	NA

Source: EY analysis of deal databases

Sector analysis

Lifesciences

Key growth drivers

- **Rising insurance penetration**
Per capita insurance premiums have increased sharply, improving affordability and driving higher utilization of organized healthcare services.
- **Tier-2 city opportunity**
~60% of India's population resides in Tier-2 cities, creating strong demand for new hospital infrastructure and healthcare investments beyond metros.
- **Shift to organized healthcare**
Large, well-established hospital chains are gaining share as patients move from unorganized providers to trusted, multi-specialty institutions.
- **Government as a key payer**
Public health schemes and higher healthcare allocations are increasing access and reducing out-of-pocket expenses for patients.
- **Preference for proven brands**
Established hospital brands are seeing strong patient inflows, resulting in high occupancy levels and improved profitability.

Outlook 2026

The sector enters 2026 with strong demand visibility supported by continued capacity expansion across multi-specialty, single-specialty and diagnostic platforms. As new hospitals and diagnostic centers mature, revenue momentum is expected to remain robust, while short-term headwinds such as seasonality, payer-related disruptions and government-scheme delays are likely to normalize. Diagnostics margins should improve through FY26 as newly added centers scale up, while genomics, molecular and wellness testing continue to deepen penetration across networks.

MedTech players are positioned for another year of portfolio premiumization, driven by next-gen product approvals, capacity commissioning and synergies from recently integrated overseas acquisitions. Meanwhile, strong private-equity interest and ongoing consolidation in hospitals and devices are expected to continue, shaping 2026 as a year of scaling capacity, improving case complexity, expanding diagnostics reach and accelerating innovation across the lifesciences and healthcare ecosystem.



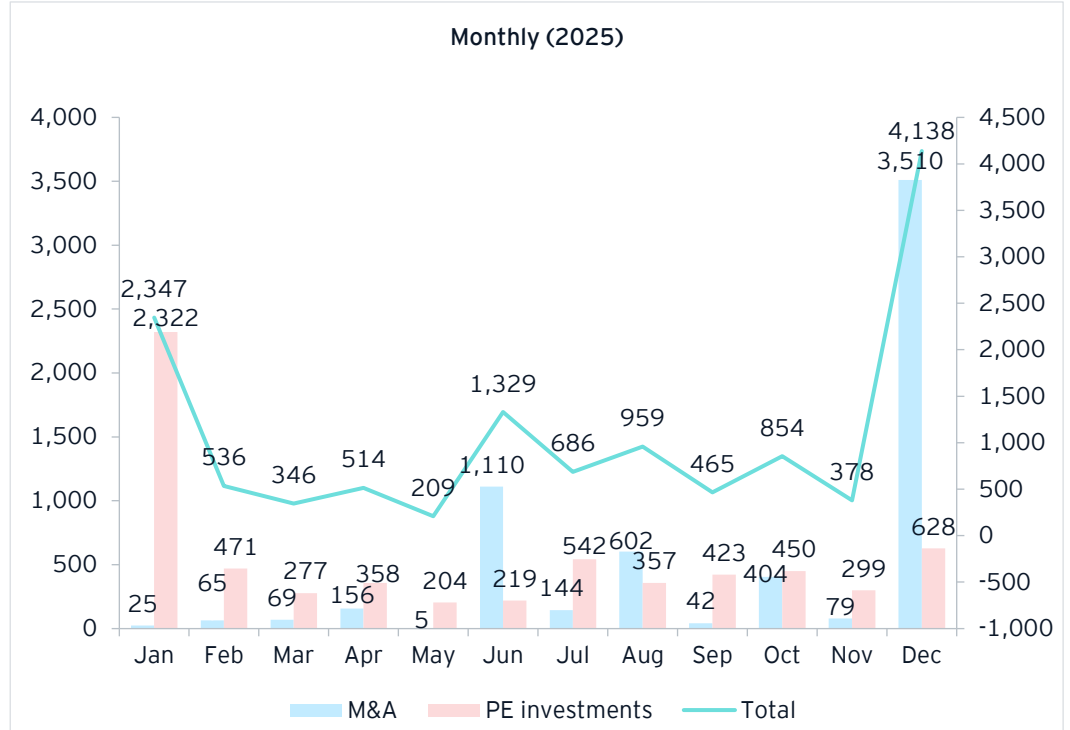
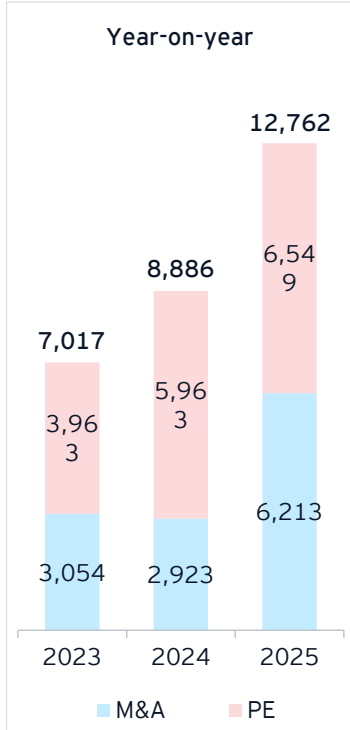
Amit Gupta

Partner
Lifesciences - Investment Banking
EY India

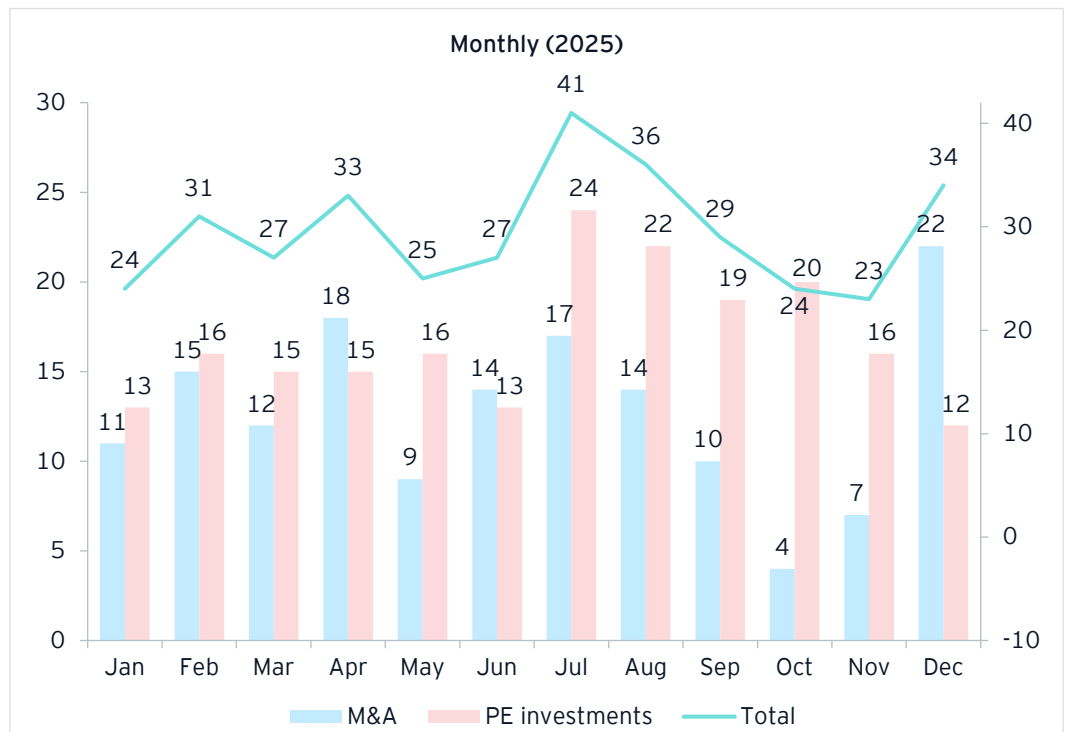
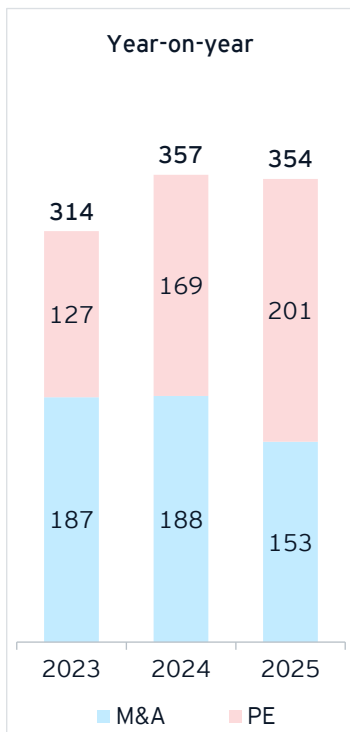
Sector analysis

Technology

M&A and PE deal trends (value) (US\$ million)



M&A and PE deal trends (volume)



Source: EY analysis of deal databases

Sector analysis

Technology

Key deals in 2025

Month	Target	Acquirer	Sector	Deal value (US\$m)	Deal type	Deal stake (%)
December	Encora Digital	Coforge	Technology	2,350	M&A - Outbound	100
January	Access Healthcare	New Mountain Capital	Technology	1,500	PE - Buyout	NA
June	SLK Software	Altimetrik Corp	Technology	500	M&A - Inbound	100
August	Digital Transformation Business Unit of Harman	Wipro	Technology	375	M&A - Outbound	100
January	Impetus Technologies	Kedaara Capital Investment Managers	Technology	350	PE - Growth	NA
December	InMobi Technologies	Varde Partners, Elham Credit Partners and SeaTown Holdings	Technology	350	PE - Credit	NA
October	LTI Mindtree	Life Insurance Corp of India	Technology	331	M&A - Domestic	2
January	Wingify Software	Everstone Capital Asia	Technology	300	PE - Buyout	>50
October	Uniphore Software Systems	March Capital Partners Fund I LP, National Grid Partners, Nvidia Corp., Others	Technology	260	PE - Growth	10
September	Axtria	Kedaara Capital	Technology	240	PE - Growth	NA

Source: EY analysis of deal databases

Sector analysis

Technology

Key growth drivers

- **IT services demand recovery**
IT services demand is rebounding, supported by strong order books, boosting confidence in M&A as buyers target growth in digital, cloud and AI-led services.
- **AI, GenAI and semiconductor focus**
AI and GenAI are key M&A catalysts, with incumbents acquiring AI-led capabilities and semiconductor IP to strengthen offerings and enable next-gen AI workloads.
- **Platform-based and sector-specific IP**
Acquirers are favoring platform-driven solutions and differentiated IP, particularly in data and AI for high-growth verticals such as BFSI and healthcare.
- **Cybersecurity**
Cybersecurity is emerging as a major M&A theme for 2026, driven by rising threats and regulatory pressure, leading to increased sector consolidation.
- **Evolving deal structures and valuations**
Innovative deal structures, including rollover equity, are bridging valuation gaps, while PE interest in specialized assets continues to support premium valuations.
- **SaaS maturity and funding recovery**
India SaaS scaled meaningfully in 2025, with 65+ companies above US\$30 million ARR and funding rebounding to ~US\$2.2 billion, led by late-stage and secondary deals. Valuations stabilized at ~7-11x revenue, with investors prioritizing profitability and efficient unit economics.
- **AI adoption and horizontal SaaS strength**
GenAI adoption accelerated, with ~90% of Indian SaaS startups embedding AI into products, supporting data and automation-led platforms. Horizontal SaaS dominated deal activity, driven by cybersecurity, communications, fintech, ITSM and developer tools.

Outlook 2026

Looking ahead to 2026, the technology and IT services sector is expected to enter an AI-gravity phase, where AI is no longer a differentiator but a core operating layer across services. Enterprises will prioritize scalable, repeatable and outcome-linked AI deployments, driving sustained demand for providers that can integrate AI across cloud, data and applications. This shift will favor larger, platform-oriented players with proven execution, accelerating the transition from experimentation to measurable value creation.

From an M&A and investment perspective, consolidation is set to intensify in 2026, supported by the urgency to simplify vendor ecosystems and defend margins amid AI-driven productivity gains. Strategics and PE firms will continue backing large, capability-led acquisitions, particularly in cloud, Salesforce ecosystems and AI-native platforms. As value-creation playbooks mature, dealmaking will increasingly focus on defensibility, integration depth and verticalized AI offerings, reinforcing a structurally stronger but more concentrated tech services landscape.



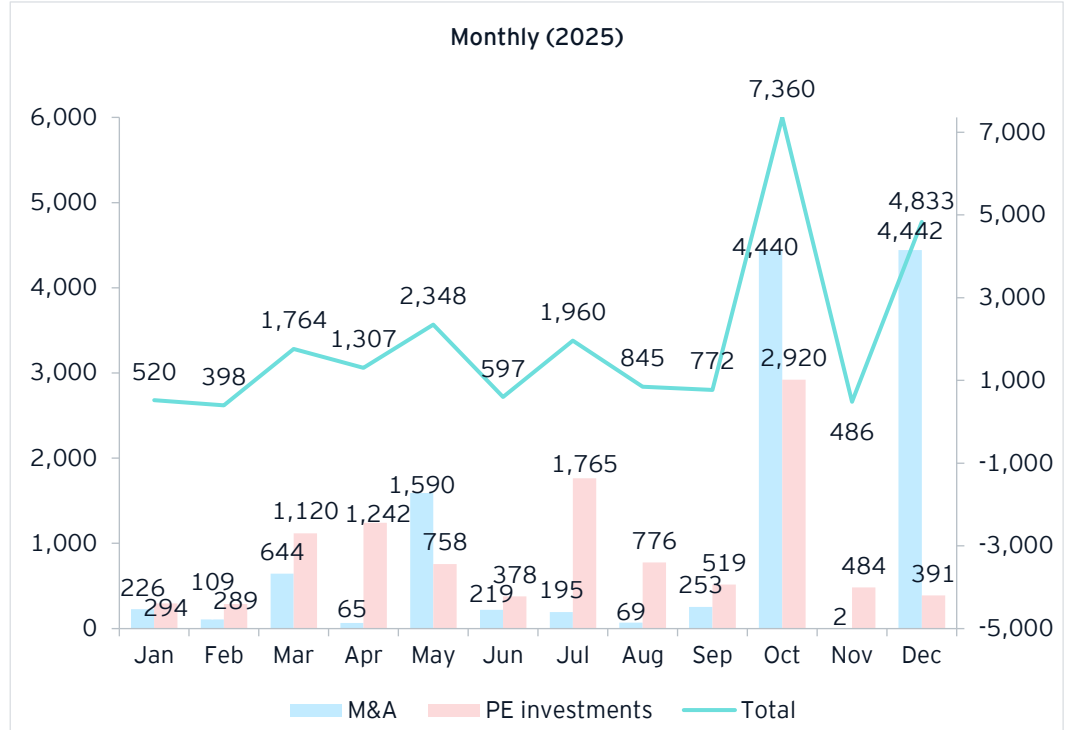
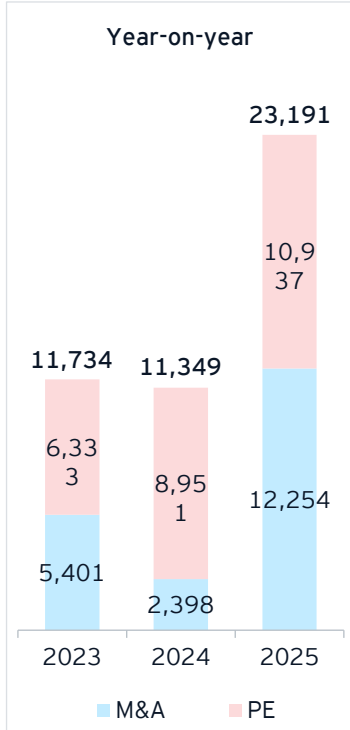
Shivani Nagpaul

Partner
Technology - Investment Banking
EY India

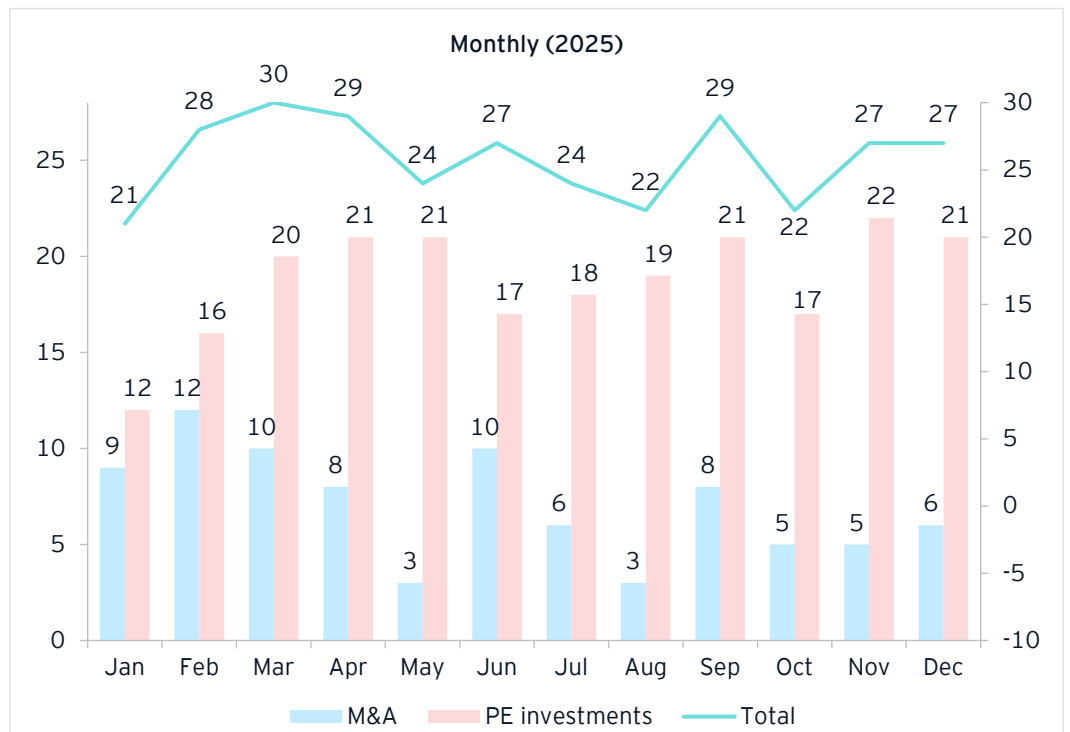
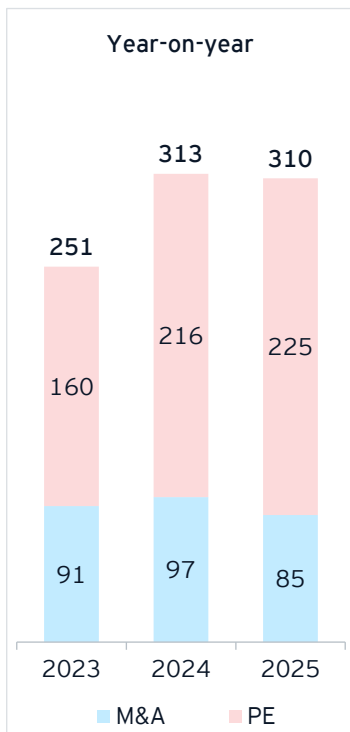
Sector analysis

Financial Services

M&A and PE deal trends (value) (US\$ million)



M&A and PE deal trends (volume)



Source: EY analysis of deal databases

Sector analysis

Financial Services

Key deals in 2025

Month	Target	Acquirer	Sector	Deal value (US\$m)	Deal type	Deal stake (%)
December	Shriram Finance	Mitsubishi UFJ Financial Group	NBFC	4,400	M&A - Inbound	20
October	RBL Bank	Emirates NBD	Banks	4,387	M&A - Inbound	62
May	Yes Bank	Sumitomo Mitsui Banking	Banks	1,590	M&A - Inbound	24
October	Sammaan Capital	International Holding Company (Avenir Investment)	NBFC	1,000	PE - PIPE	43
April	IDFC First Bank	Abu Dhabi Investment Authority & Warburg Pinus	Banks	860	PE - PIPE	15
October	The Federal Bank	Blackstone - Asia II Topco XIII	Banks	704	PE - PIPE	10
October	PhonePe	General Atlantic Service	Fintech	600	PE - Startup	5
March	Manappuram Finance	Bain Capital	NBFC	513	PE - PIPE	18
March	Magma General Insurance	Patanjali Ayurved and DS Group	Insurance	507	M&A - Domestic	98
July	Infinity Fincorp Solutions	Partners Group, Jungle Ventures	NBFC	230	PE - Buyout	>50

Source: EY analysis of deal databases

Sector analysis

Financial Services

Key growth drivers

- **Banking dominates 2025 deal activity**
Banking emerged as the standout sector for 2025 with four deals aggregating US\$11.4 billion. The sector saw some firsts, with regional champions from the Middle East and Japan taking controlling stakes in mid-market banks while large PE funds took significant stakes in some banks.
- **Return of cross-border deals**
Cross-border deals dominated the deal volumes, supported by strong strategic capital from the Middle East and Japan. India has emerged as the market of choice for large multinational financial institutions.
- **Wealth and Asset Management (WAM) continue the momentum**
WAM remains active, with momentum driven by fund raises as well as entry by new players.
- **Domestic consolidation**
The year saw domestic consolidation gaining meaningful traction. Apart from strategic consolidation, the year also saw PE-backed platforms driven by the consolidation theme.

Outlook 2026

We enter 2026 with over US\$11 billion of strategic/PE capital deals awaiting regulatory approvals. This would create fresh lending capacity of over US\$80 billion across four banks and NBFCs alone. Capital with capability continues to be the driving force as Indian companies forge strategic collaborations with global majors to craft distinct positioning and refresh their identity in the market.

WAM (Wealth and Asset Management) and insurance would continue to witness significant momentum given the strong sectoral tailwinds. In 2026, we expect the trend of new entrants in the market and domestic consolidation to continue.



Samir Oja

Partner
Financial Services- Investment Banking
EY India

M&A Domestic

CK Birla

Sale of Orient
Cement to
Ambuja Cements
(Adani Group)

US\$964 m

Italian-Thai
Development

Stake sale to
Renew Exim DMCC
(Adani Group)

US\$382 m

Sona BLW
Forgings

Acquisition of
Railway Equipment
Division of Escorts
Kubota

US\$190 m

LT Foods

Acquisition of
Golden Star Trading

US\$15 m

Fortum India

Stake sale to

Hexa Climate

Undisclosed

Statkraft

Sale of Renewable
Energy Project to
Serentica Renewables,
JSW Energy, LNJ
Bhilwara Group
Undisclosed

M&A Cross-border

Emirates NBD

Acquisition of

RBL Bank

US\$4,388 m

Agreeya Solutions

Acquisition by

Computacenter

US\$150 m

Fontana Gruppo

Acquisition of

Right Tight Fasteners

US\$97 m

Intelligence Node

Stake sale to

Interpublic Group

US\$65 m



2025
Our Marquee Deals



Private Equity

Access Healthcare Services

Stake sale to

New Mountain Capital

US\$1,400 m

TPG backed Altimetrik

Majority acquisition of

SLK Software

US\$500 m

Vertelo

Fundraise from

Macquarie Green Energy Fund, Green Climate Fund, etc.

US\$405 m

Jakson Green

Acquisition by

Macquarie Capital (Blueleaf Energy)

US\$400 m

Impetus Technologies

Fundraise from

Kedaara Capital

US\$350 m

Ashoka Buildcon

Sale of 10 Road assets to Maple Infrastructure, Edelweiss India Alternatives

US\$330 m

EDF India

Fundraise from

Actis

US\$200 m

ID Fresh Foods

Fundraise from

Apax Partners

US\$150 m

Ace Designers

Fundraise from

Kotak Alternate Asset Management

US\$142 m

Padmini VNA Mechatronics

Fundraise from

Norwest Venture Partners

US\$85 m

Centrum Housing Finance

Stake Sale to

Premji Invest (Weaver Services)

US\$65 m

Citykart

Fundraise from

TPG and A91

US\$63 m



Shape the future
with confidence



Investment Banker in 2025

A leadership position retained for
25+ consecutive years
(across league tables)

*On deal count: Mergermarket, LSEG, Bloomberg, VCC

*On deal value: Bloomberg, VCC

Our team



Amit Khandelwal
Managing Partner,
Strategy and Transactions
EY India and Africa region
amit.khandelwal@in.ey.com



Ajay Arora
Partner and National Leader
Investment Banking
ajay.arora@in.ey.com



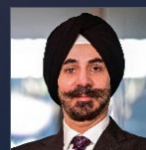
Vivek Soni
Partner and National Leader
Private Equity
Vivek.Soni@in.ey.com



Kuljit Singh
Partner
Infrastructure
kuljit.singh@in.ey.com



Nitin Gupta
Partner
Consumer and Lifesciences
nitin.gupta@in.ey.com



Randhir Kochhar
Partner
Advanced Manufacturing
and Industrials
randhir.kochhar@in.ey.com



Shivani Nagpaul
Partner
Technology, Media and
Telecom
shivani.nagpaul@in.ey.com



Samir Ojha
Partner
Financial Services
samir.ojha@in.ey.com





Our offices

Ahmedabad

22nd Floor, B Wing, Privilon
Ambli BRT Road, Behind Iskcon Temple
Off SG Highway, Ahmedabad - 380 059
Tel: + 91 79 6608 3800

Gandhinagar

8th Floor, Building No. 14A
Block 14, Zone 1
Brigade International Financial Centre
GIFT City SEZ
Gandhinagar - 382 355, Gujarat
Tel: + 91 79 6608 3800

Bengaluru

12th & 13th Floor
"UB City", Canberra Block
No.24 Vittal Mallya Road
Bengaluru - 560 001
Tel: + 91 80 6727 5000

Ground & 1st Floor
11, 'A' wing
Divyasree Chambers
Langford Town
Bengaluru - 560 025
Tel: + 91 80 6727 5000

3rd & 4th Floor
MARKSQUARE
#61, St. Mark's Road
Shantala Nagar
Bengaluru - 560 001
Tel: + 91 80 6727 5000

1st & 8th Floor, Tower A
Prestige Shantiniketan
Mahadevapura Post
Whitefield, Bengaluru - 560 048
Tel: + 91 80 6727 5000

Ecospace
1st Floor, Campus 1C
Ecospace Business Park
Outer Ring Road,
Bellandur - Sarjapura Area, Varthur Hobli,
Bengaluru Urban - 560103

Bhubaneswar

8th Floor, O-Hub, Tower A
Chandaka SEZ, Bhubaneswar
Odisha - 751024
Tel: + 91 674 274 4490

Chandigarh

Elante offices, Unit No. B-613 & 614
6th Floor, Plot No- 178-178A
Industrial & Business Park, Phase-I
Chandigarh - 160 002
Tel: + 91 172 6717800

Chennai

6th & 7th Floor, A Block,
Tidel Park, No.4, Rajiv Gandhi Salai
Taramani, Chennai - 600 113
Tel: + 91 44 6654 8100

Delhi NCR

Aikyam
Ground Floor
67, Institutional Area
Sector 44, Gurugram - 122 003
Haryana
Tel: + 91 124 443 4000

3rd & 6th Floor, Worldmark-1
IGI Airport Hospitality District
Aerocity, New Delhi - 110 037
Tel: + 91 11 4731 8000

4th & 5th Floor, Plot No 2B
Tower 2, Sector 126
Gautam Budh Nagar, U.P.
Noida - 201 304
Tel: + 91 120 671 7000

Hyderabad

THE SKYVIEW 10
18th Floor, "SOUTH LOBBY"
Survey No 83/1, Raidurgam
Hyderabad - 500 032
Tel: + 91 40 6736 2000

THE SKYVIEW 20
2nd Floor, 201 & 202
Right Wing, Survey No 83/1
Raidurgam, Hyderabad - 500 032
Tel: + 91 40 6736 2000

Jaipur

9th floor, Jewel of India
Horizon Tower, JLN Marg
Opp Jaipur Stock Exchange
Jaipur, Rajasthan - 302018

Kochi

9th Floor, ABAD Nucleus
NH-49, Maradu PO
Kochi - 682 304
Tel: + 91 484 433 4000

Kolkata

22 Camac Street
3rd Floor, Block 'C'
Kolkata - 700 016
Tel: + 91 33 6615 3400

6th floor, Sector V,
Building Omega, Bengal Intelligent Park,
Salt Lake Electronics Complex, Bidhan Nagar
Kolkata - 700 091
Tel: + 91 33 6615 3400

Mumbai

14th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (W), Mumbai - 400 028
Tel: + 91 22 6192 0000

5th Floor, Block B-2
Nirlon Knowledge Park
Off. Western Express Highway
Goregaon (E)
Mumbai - 400 063
Tel: + 91 22 6192 0000

3rd Floor, Unit No.301
Building No.1, Mindspace-Gigaplex
IT Park, MIDC, Plot No. IT-5
Airoli Knowledge Park
Airoli West, Navi Mumbai - 400 708
Tel: + 91 22 6192 0003

18th Floor, Altimus
Pandurang Budhkar Marg
Worli, Mumbai - 400 018
Tel: + 91 22 6192 0503

Pune

C-401, 4th Floor
Panchshil Tech Park, Yerwada
(Near Don Bosco School)
Pune - 411 006
Tel: + 91 20 4912 6000

10th Floor, Smartworks
M-Agile, Pan Card Club Road
Baner, Pune - 411 045
Tel: + 91 20 4912 6800

Ernst & Young LLP

EY | Building a better working world

EY is building a better working world by creating new value for clients, people, society and the planet, while building trust in capital markets.

Enabled by data, AI and advanced technology, EY teams help clients shape the future with confidence and develop answers for the most pressing issues of today and tomorrow.

EY teams work across a full spectrum of services in assurance, consulting, tax, strategy and transactions. Fueled by sector insights, a globally connected, multi-disciplinary network and diverse ecosystem partners, EY teams can provide services in more than 150 countries and territories.

All in to shape the future with confidence.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. EYG member firms do not practice law where prohibited by local laws. For more information about our organization, please visit ey.com.

Ernst & Young LLP is one of the Indian client serving member firms of EYGM Limited. For more information about our organization, please visit www.ey.com/en_in.

Ernst & Young LLP is a Limited Liability Partnership, registered under the Limited Liability Partnership Act, 2008 in India, having its registered office at Ground Floor, Plot No. 67, Institutional Area, Sector - 44, Gurugram - 122 003, Haryana, India.

© 2026 Ernst & Young LLP. Published in India.
All Rights Reserved.

ED None.
EYIN2604-016

This publication contains information in summary form and is therefore intended for general guidance only. It is not intended to be a substitute for detailed research or the exercise of professional judgment. Neither EYGM Limited nor any other member of the global Ernst & Young organization can accept any responsibility for loss occasioned to any person acting or refraining from action as a result of any material in this publication. On any specific matter, reference should be made to the appropriate advisor.

ey.com/en_in

