

Dealtracker

May 2025

Total 179
deals at USD
4.5 billion

68 M&A
deals at USD
2.4 billion

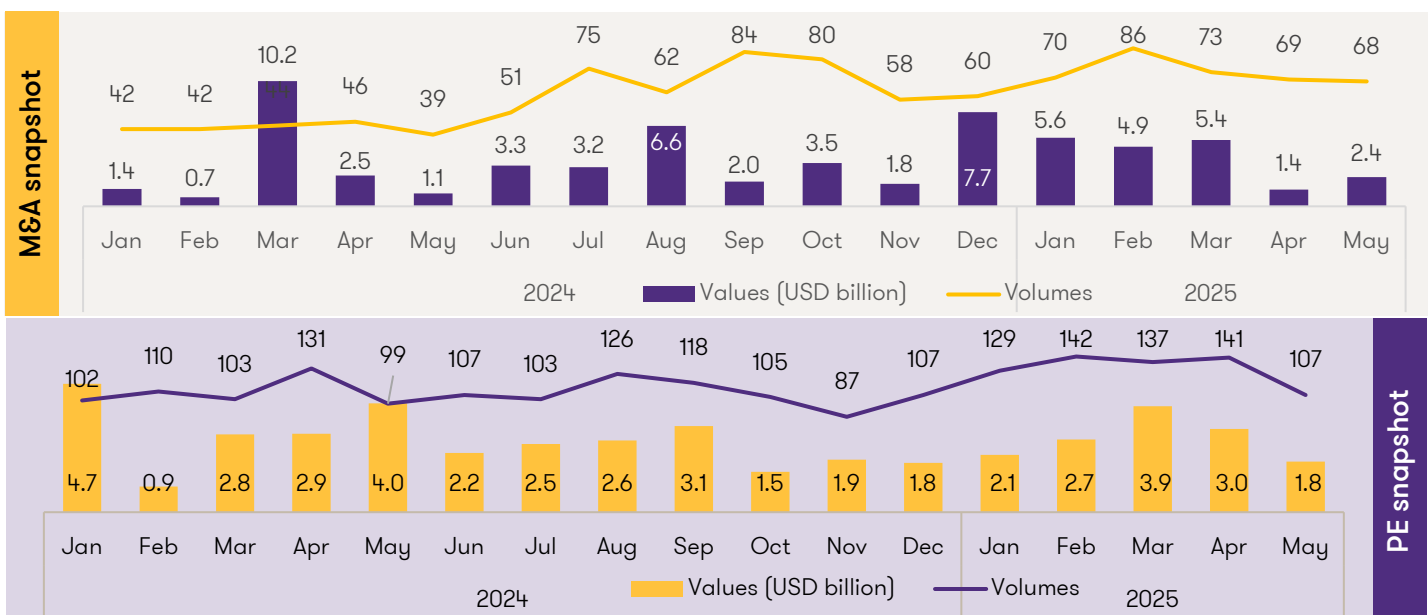
107 PE
deals at USD
1.8 billion

2 IPOs
raising USD
0.3 billion

2 QIPs
raising USD
2.9 million

Values and
volumes ↓ by **17%**
versus April 2025

Monthly trend



“May 2025 sees deal activity slump amid PE slump”

May 2025 marked a notable slowdown in India’s deal-making landscape, posting the lowest monthly volumes (175 deals) and Values (\$4.2 bn) of the year. Overall deal volumes dropped by 17%, while values saw a marginal 4% decline compared to April — largely due to a contraction in private equity activity. That said, mergers and acquisitions activity provided some cushion to overall deal values due to a single billion-dollar inbound deal worth USD 1.6 billion, which alone accounted for 66% of the total M&A values for the month. Otherwise, M&A deal volumes were stable at 68 deals, supported by a sharp uptick in outbound transactions (15 vs 2 in April) as Indian corporates closed outbound deals indicating confidence in going global for diversification and integration after nine years.

The private equity sector had its weakest performance of the year, registering only 107 deals valued at USD 1.8 billion. This marks a 24% drop in deal volume and a 39% fall in value compared to April, with the average deal size shrinking from USD 21.5 million to USD 17.2 million. Nevertheless, the emergence of the two unicorns of the year — Drools Pet Foods and JSW One Platforms — offering a bright spot in an otherwise muted investment climate. We expect the PE activity to revive in the second half of 2025 as market valuations stabilise and exit opportunities improve.

Capital markets were subdued too with two initial public offerings (IPOs) this month, and one in the previous month. Qualified Institutional Placements slumped significantly, registering a 60% decline over the previous month.

Despite lower overall volumes, key sectors such as Retail and consumer, Banking and financial services, and Pharma and biotech continued to see meaningful strategic activity. Sectors like Energy and natural resources, IT, automotive, and Manufacturing remained active, while Transport & logistics entered a transformative phase, with activity more than doubling over recent months.



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Dealboard

Deal summary - 2025		Volume				Value (USD million)					
	Mar'25		Apr'25		May'25		Mar'25		Apr'25		May'25
Domestic	57		59		43		4,186		1,197		253
Inbound	8		8		10		483		127		1,718
Outbound	8		2		15		744		40		414
Total M&A	73	↓ 5%	69	↓ 1%	68		5,412	↓ 75%	1,364	↑ 75%	2,384
PE	137	↑ 3%	141	↓ 24%	107		3,871	↓ 22%	3,034	↓ 39%	1,845
Grand total	210		210	↓ 17%	175		9,283	↓ 53%	4,398	↓ 4%	4,229

Top 5 M&A deals of the month

Sumitomo Mitsui Banking corporation's 20% stake in YES Bank Ltd	KPIT Technologies Ltd's 100% stake in Caresoft Group	inFinx Services Pvt Ltd's 100% stake in i3 Verticals Inc- Healthcare Revenue Cycle Management business	Undisclosed investor's acquiring minority stake in Sonata Software Ltd	Waaree Energies Ltd's 100% stake in Kamath Transformers Pvt Ltd
USD 1,568 million	USD 191 million	USD 96 million	USD 73 million	USD 34 million
Banking and financial services	Automotive	IT & ITeS	IT & ITeS	Manufacturing

Top 6 PE deals of the month

General Catalyst, PB Fintech and undisclosed investors - PB Healthcare Services Pvt Ltd	Kedaara capital, Wellington management and Vitruvian partners - SmartShift Logistics Solutions - Porter	Norwest and Motilal Oswal Alternates - IKF Finance Ltd	Kotak Alternate Asset Managers - Ace Designers Ltd	British International Investment - ReNew Photovoltaics Brookfield Global Transition Fund II and Alterra - Evren Energys Pvt Ltd
USD 218 million	USD 200 million	USD 170 million	USD 140 million	USD 100 million
Pharma, healthcare and biotech	Transport and logistics	Banking and financial services	Manufacturing	Energy and natural resources

PE deal speak

May 2025 recorded 107 deals amounting to USD 1.84 billion. Deal volumes were primarily driven by venture capital activity, with over half of the transactions concentrated in the Retail and consumer, Technology, and Banking and financial services sectors. Early-stage funding remained active, with 24 seed and 10 pre-Series A deals.

Compared to April, May saw a decline in both deal volume and value. Retail and consumer sectors continued to feature prominently, while select high-value transactions contributed to overall deal value. Key transactions for the month included a USD 218 million investment in PB Healthcare Services by General Catalyst, PB Fintech, and others; a USD 200 million infusion into logistics player Porter by Kedaara Capital, Wellington Management, and Vitruvian Partners; and USD 170 million invested in IKF Finance by Norwest and Motilal Oswal Alternates.

Over the first five months of 2025, retail and consumer, IT & ITeS, pharma, and financial services have emerged as the most active sectors by value and volume. Agri Tech and aerospace and defense maintained their presence this year with 11 deals and 17 deals respectively with combined value of USD 129 million for this calendar year. The market continues to reflect consistent activity levels, albeit with a tilt toward smaller deal sizes — a trend that has defined investor behaviour so far this year



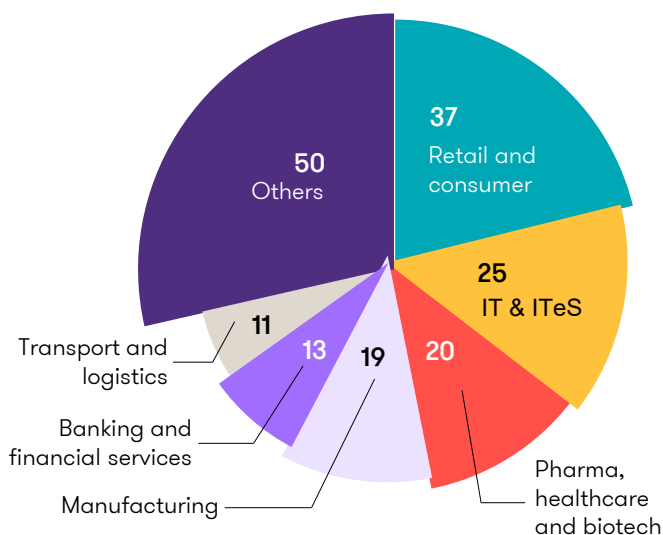
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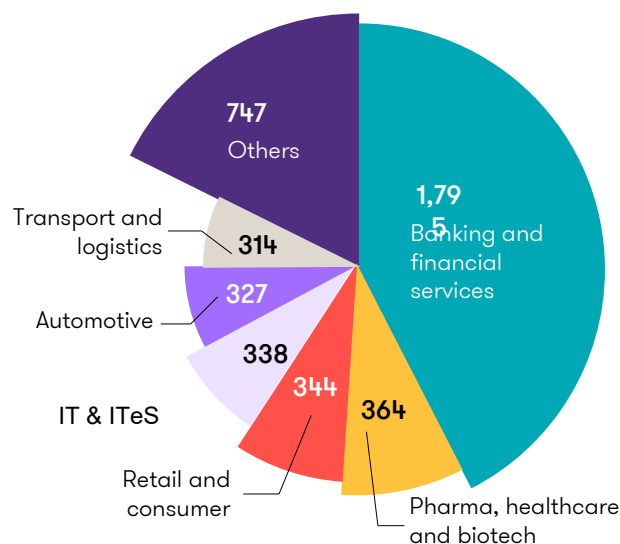
Sector trends

Retail and consumer sector continues to lead volumes, while banking and financial services sector maintained its position as top contributor to deal values over the past three months

Top sectors based on deal volume



Top sectors based on deal value (USD million)



- The Banking and financial services sector remained the most dominant in terms of deal values over the last three months. The sector accounted for 42% of the overall values for the month, despite a dip in volumes from 29 deals in the previous month to just 13 deals this month. The sector's performance was primarily driven by **Sumitomo Mitsui Banking Corporation's acquisition of a 20% stake in Yes Bank for USD 1.6 billion**. Notably, the NBFC sub-segment played a pivotal role, contributed to two large ticket deals for the month, accounting for 98% of the sector's value and 46% of deal volume. The month also marked Sparkassen International Development Trust's (SIDT) first equity investment in India's financial inclusion sector through Dvara KGFS.
- Retail and consumer sector continued to lead in deal volume despite a 23% month-over-month drop. Meanwhile, deal values saw a 36% uptick driven by secondary deals in PE space worth USD 191 million. The textiles, apparels & accessories segment led the pack with 35% of deal volume and 44% of the sector's value. Consumer services and FMCG followed, together contributing 46% of volumes and 41% of values. Early-stage funding dominated (from Pre-seed to Series A), which contributed to 78% of the PE volumes. Notably, **Citykart retail raising USD 68 million** marks one of the largest capital infusions in the Indian fashion retail segment, further boosting the sector's value for the month.
- The IT & ITeS sector indicated a robust recovery with a 25% increase in deal activity and a more than threefold rise in value—from USD 108 million to USD 338 million. Two major deals—**inFinx Services' acquisition of i3 Verticals' healthcare RCM business** (USD 96 million) and **Sonata Software's fundraise** (USD 73 million)—accounted for half of the sector's value. Tech startups and SaaS firms led volumes with 36% each, while SaaS and tech service providers led in value, contributing 45% and 34%, respectively. Additionally, M&A activity in the sector was dominated by cross-border deals between India and the US reflecting strong ties.
- The Pharma, healthcare and biotech sector was the second-highest contributor to deal value at USD 364 million, propelled by **PB Healthcare Services raising USD 218 million** from a consortium of investors for developing hospital network in the NCR region. This acquisition reflects the ongoing consolidation trend in India's fragmented healthcare sector, where organized chains are acquiring established standalone specialist providers to build scale and operational efficiencies. Hospitals, Healthtech and pharma & biotech segments each held a 20% share in volume, while hospitals dominated in value with a 64% share.
- Transport and logistics sector witnessed significant surge both in terms of volumes and values by 120% and 69%, respectively over the previous month driven by increased investor interest in food logistics and logistics segments. The sector recorded the highest monthly deal volumes since September 2021 recording 11 deals worth USD 314 million. The logistics unicorn **"Porter" raising USD 200 million** is the third-largest deal in the month which gave a big boost to the logistics tech infrastructure and supply chain platforms.
- Although both volumes and values declined, the Automotive sector still ranked fifth in terms of deal value. This was largely due to **KPIT Technologies' USD 191 million outbound acquisition of Caresoft Group**. The sector's performance was mainly driven by the EV and AutoTech sub-segments, which contributed 57% of sector volume and 90% of sector value.
- The Energy and manufacturing sectors reported 28 deals during the month. Both contributed significant high-value transactions amounting to a combined USD 459 million, highlighting their continued strategic importance.
- The agriculture & forestry, hospitality and leisure, infrastructure management, education and professional / business services sectors witnessed a notable downturn in both deal volume and value compared to the previous month. In contrast, the Aviation and Telecom sectors, which saw muted activity in April, each reported one deal during May 2025.



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