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MARC Insights M&A Tracker – Q2 2024

September 2024



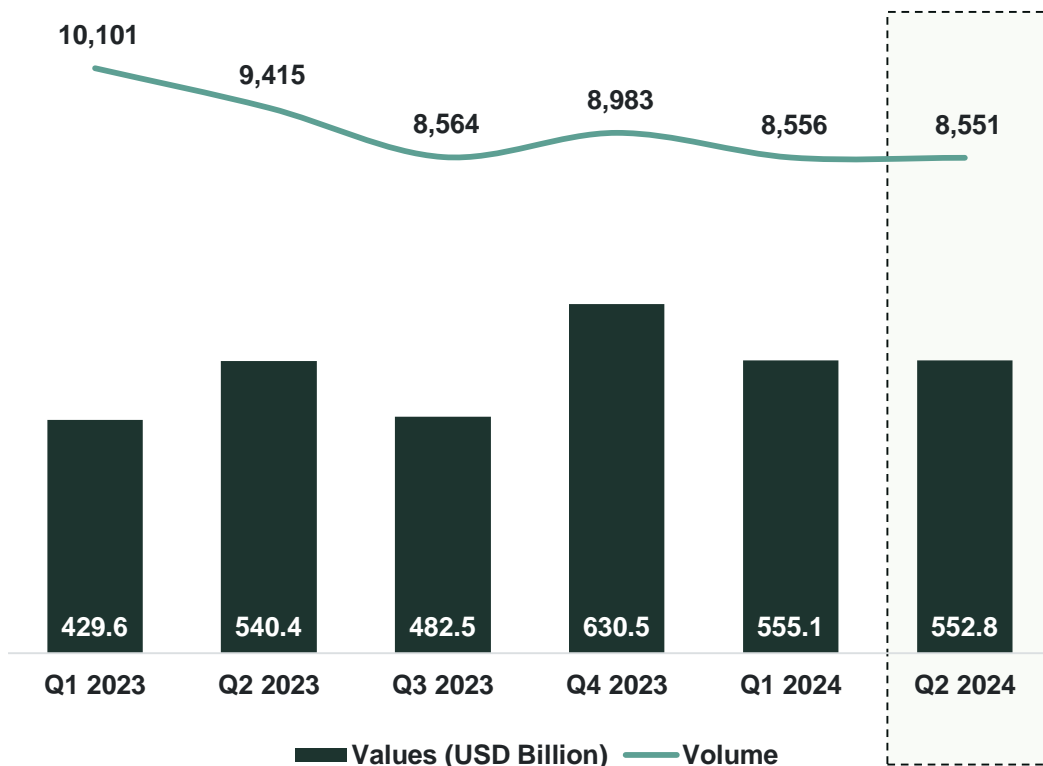
Glossary

- **Acquirer** – In the mergers and acquisition (M&A) process, the acquirer is the company that wishes to acquire a company.
- **Conglomerate merger** - A conglomerate merger refers to a merger between two firms which are carrying on business activities unrelated to each other, generally occurs between companies operating in different industries.
- **Horizontal merger** - A horizontal merger occurs when companies operating in the same or similar industry combine together.
- **Inbound deal** - An inbound merger or acquisition is a transaction in which a foreign company merges with or acquires a domestic company, Inbound M&As provide an inflow of foreign funds into the economy.
- **Outbound deal** - In an outbound merger or acquisition, a domestic company purchases or merges with one in another country, outbound M&As involve the outflow of domestic funds.
- **M&A deal in value** – It refers to the total monetary worth of the deals.
- **M&A deal in volume** – It refers to the total number of deals that took place.
- **Target** – The company to be acquired is the Target.
- **Vertical merger** - A vertical merger is the combination and integration of two or more companies that are involved in different stages of the supply chain in the production of goods or services.

Global M&A: Overview

Q2 2024 seems to indicate a **phase of stabilization** in M&A activity, with both **deal volumes and values showing limited fluctuation** compared to the sharper changes seen in previous quarters.

Quarterly Deal Trend



Key Insights

- Q2 2024 **M&A values were similar** compared to Q1 2024 levels, with **USD 552.8 Bn transacted in Q2 against USD 555.1 Bn in Q1**.
- The total number of deals quarter over quarter was also unchanged, **decreasing by just -0.1% to 8,551 transactions**.
- One notable trend was the **uptick in going private transactions**. Q2 2024 saw **USD 67 Bn transacted across 32 deals** for this deal type, representing the most activity in this space since Q2 of 2022.
- Although the **deal volumes in Q2 2024 dropped** as compared to Q2 2023, **deal values have remained largely stable YoY**, implying a shift towards fewer but higher-value deals or more targeted strategic acquisitions.

Note: Q2 refers to the second quarter of the calendar year (CY) 2024

Source: [S&P Global](#), MARC Analysis

Top M&A Deals

Acquirer	Target	Sector	USD Billion
Conoco Philips	Marathon Oil Corp.	Energy	22.5
Silver Lake Technology Management LLC	Endeavor Group Holdings Inc.	Communication Services	21.1
Guolian Securities Co. Ltd	Minsheng Securities Co. Ltd	Financials	17.0
Abu Dhabi National Oil Co.	Covestro AG	Materials	15.4
Johnson & Johnson	Shockwave Medical Inc.	Healthcare	12.9
Banco Bilbao Vizcaya Argentaria SA	Banco de Sabadell SA	Financials	12.3
Apollo Global Management Inc.	Fab 34, Intel's leading-edge fabrication facility	Information Technology	11.2
Atlas LuxCo 4 Sarl	Millicom International Cellular SA	Communication Services	10.0
Blackstone Real Estate Partners X LP	Apartment Income REIT Corp.	Real Estate	9.2
Energy Capital Partners LLC	Atlantica Sustainable Infrastructure PLC	Utilities	7.9

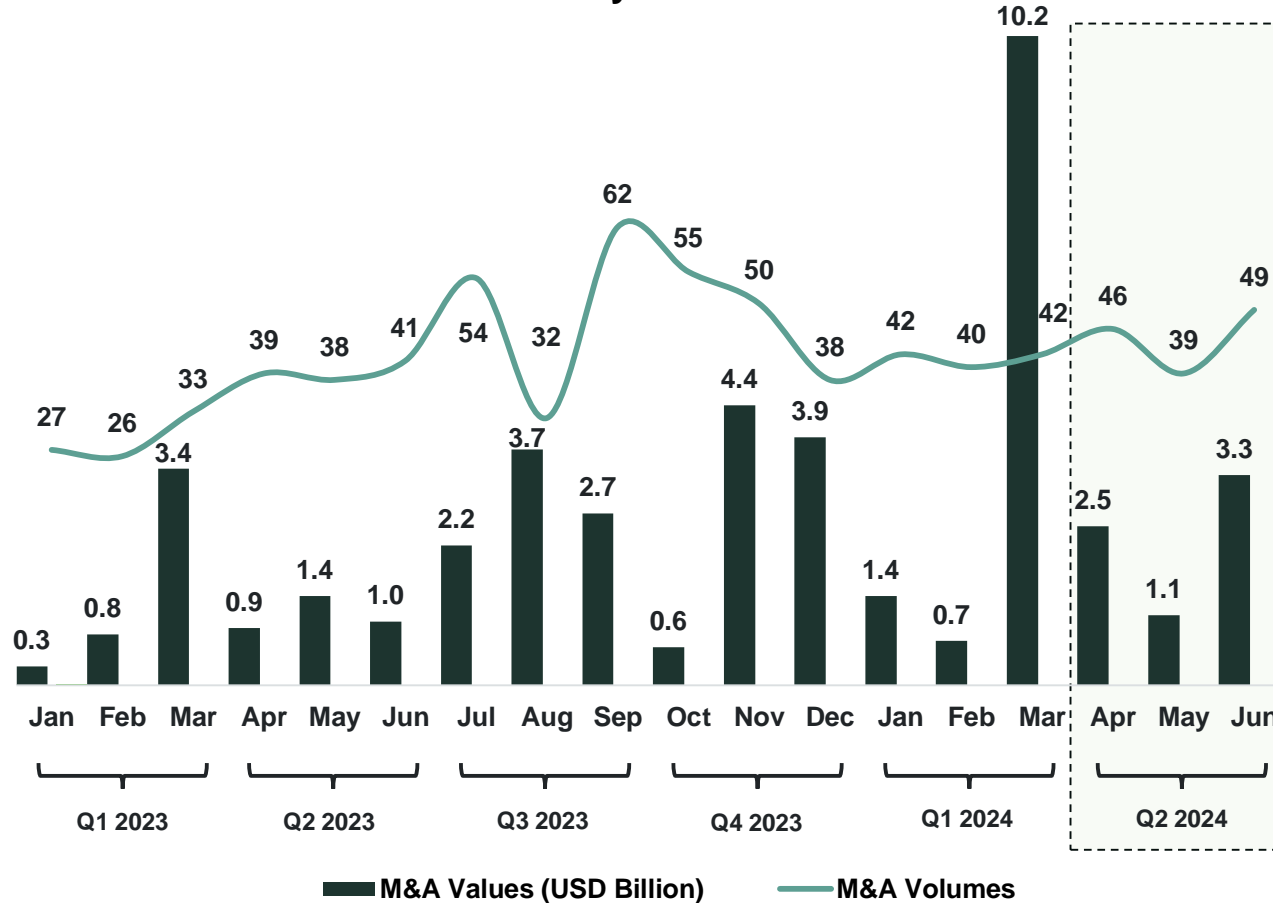
Source: [S&P Global](#)

M&A's in India

Overview

In Q2 2024, M&A activity maintained steady growth, closing the quarter with **134 deals** and a total deal value of **USD 6.9 Bn**.

Monthly deal trend



Key Insights

- Deal volumes rose steadily across the quarter, with June recording the **highest volume (49 deals)** and the **highest value (USD 3.3 billion)**.
- Deal values dropped significantly from **USD 12.3 billion in Q1 2024 to USD 6.9 billion in Q2 2024**, indicating fewer high-value deals this quarter.
- Deal volumes rose by 9% from **122 deals in Q2 2023 to 134 in Q2 2024**. Deal values surged by 200%, from **USD 2.3 billion in Q2 2023 to USD 6.9 billion in Q2 2024**, signaling a recovery in M&A activity, particularly with larger deals returning to the market.
- Adani Group's acquisitions in industrial materials and ports drove M&A activity in Q2 2024, with **four high-value deals totaling USD 3.2 billion, making up 47% of total M&A value**.

Source: [Grant Thornton Deal Tracker](#), MARC Analysis

Top M&A Deals

Top M&A deals of the quarter constitute 63% of deal values

Acquirer	Target	Sector	USD Million	Deal Type	% stake
Ambuja Cement Ltd	Penna Cement Industries Ltd	Manufacturing	1,256	Acquisition	100%
Adani Group	Ambuja Cement Ltd and ACC Ltd	Manufacturing	997	Increasing stake to 70%	4%
Adani Group	Ambuja Cement Ltd and ACC Ltd	Manufacturing	803	Increasing stake to 67%	4%
Zurich Insurance Company Ltd	Kotak General Insurance Company Ltd	Banking and financial services	670	Increasing stake to 70%	19%
Dr.Reddy's Laboratories Ltd	Haleon Plc - Northstar Switzerland SARL	Pharma, healthcare and biotech	633	Acquisition	100%

Source: [Grant Thornton Deal Tracker](#)

Sector Wise Data

Sector Specific Activity

Trends

Pharmaceuticals



Companies are acquiring biotech firms to address pipeline gaps and mitigate the impact of patent cliffs.

Automotive



Companies are driven by the need to secure critical minerals for electrification and invest in connected, automated, shared, and electric (CASE) technologies.

Technology



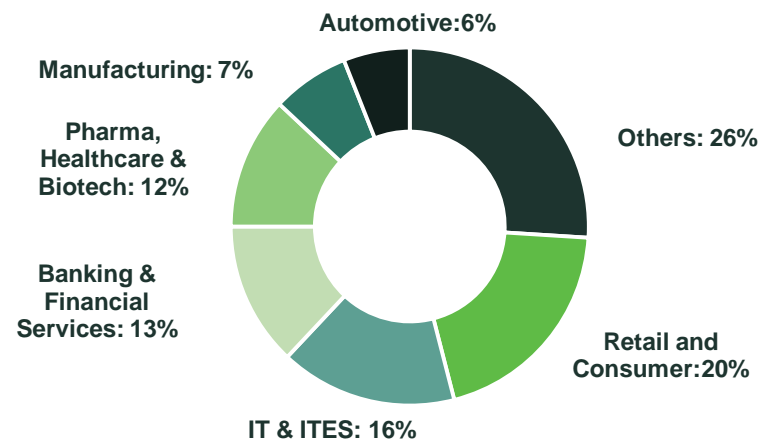
Firms are focusing on acquisitions to bolster AI, cybersecurity, and cloud capabilities in response to rapid digitalization and technological disruption.

Energy

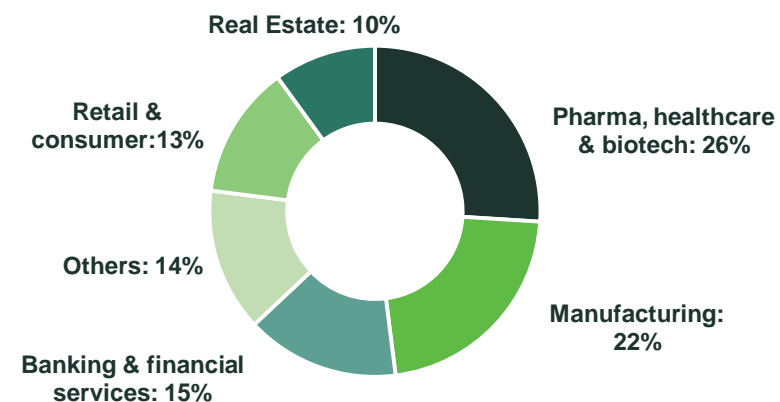


The sector is seeing consolidation in the upstream segment, where companies are merging to gain scale and access to new oil and gas reserves.

Top sectors based on deal volumes in Q2 2024



Top sectors based on deal values in Q2 2024



Source: [Grant Thornton Deal Tracker](#), [PwC Global M&A Industry Trends](#)

Consumer and Retail

Top M&A deals of the quarter

Acquirer	Target	USD Million
Google Inc	Flipkart Online Services Pvt Ltd	350
Kewal Kiran Clothing Ltd	Kraus Casuals Pvt Ltd	21
Cipla Ltd	Ivia Beaute Private Limited – cosmetics and personal care business	16
TMRW	Universal Sportsbiz Private Limited – Wrogn	15



Inbound Deals

Volume (2)
Value (USD 355 Mn)



Domestic Deals

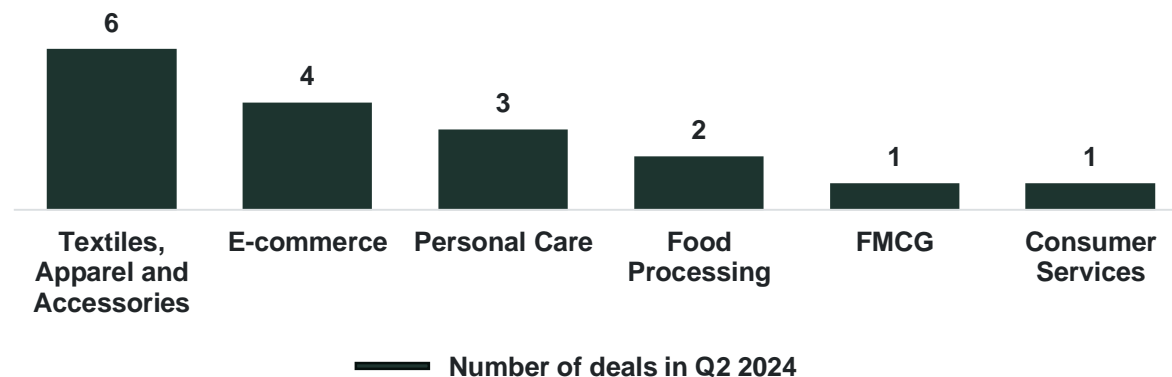
Volume (14)
Value (USD 102 Mn)



Outbound Deals

Volume (1)
Value (USD 5 Mn)

M&A trend by subsectors



- The textiles, apparel, and accessories segment led deal volumes with six deals worth USD 51 million, making up 35% of the total. Sky Gold Ltd acquired Sparkling Chains and Starmangalsutra to expand its market presence.
- The personal care, consumer services, and FMCG segments accounted for 30% of deal activity, with Cipla's USD 16 million acquisition of Ivia Beaute's cosmetics and personal care business contributing 62% of the segment's value.
- The food processing segment, which witnessed two domestic acquisitions of brewery companies, also saw a major decline of 67% in volumes and 98% in values compared to Q1 2024.

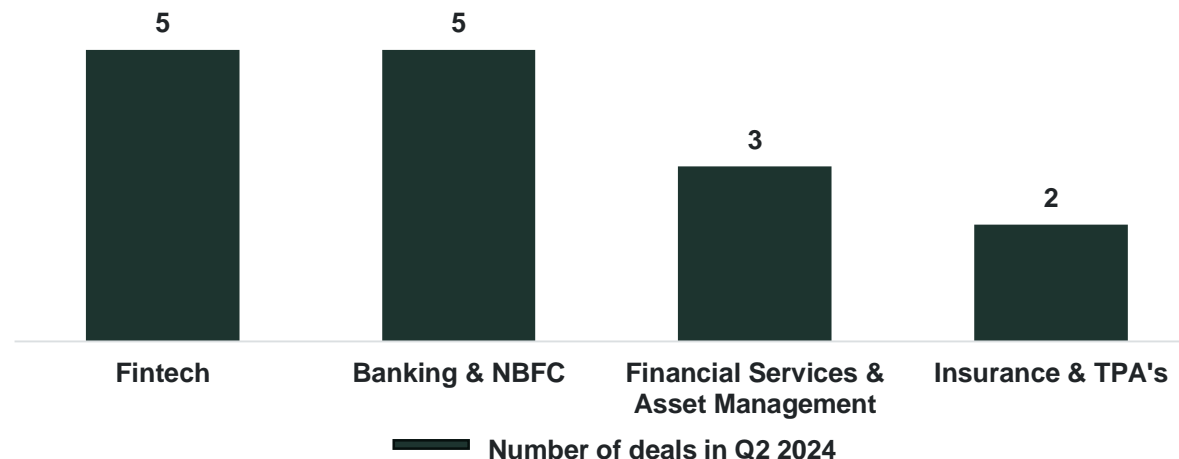
Source: [Grant Thornton Deal Tracker](#)

Financial Services

Top M&A deals of the quarter

Acquirer	Target	USD Million
Zurich Insurance Company Ltd	Kotak General Insurance Company Ltd.	670
Daiwa Securities Group	Ambit Finvest Pvt Ltd	50
Axis Bank Ltd	Max Life Insurance Company Ltd	40
Ambit Pvt Ltd	Ambit Finvest Pvt Ltd	33

M&A trend by subsectors



Inbound Deals

Volume (4)
Value (USD 730 Mn)



Domestic Deals

Volume (11)
Value (USD 137 Mn)



Outbound Deals

Volume (0)
Value (-)

- In Q2 2024, the majority of transactions were domestic, totaling 15 deals valued at USD 867 million.
- Domestic consolidations led in deal volumes, while inbound transactions accounted for 84% of the total value, driven by a major deal.
- Zurich Insurance Group's USD 670 million stake increase to 70% in Kotak Mahindra General Insurance alone contributed to 77% of the quarter's M&A values.

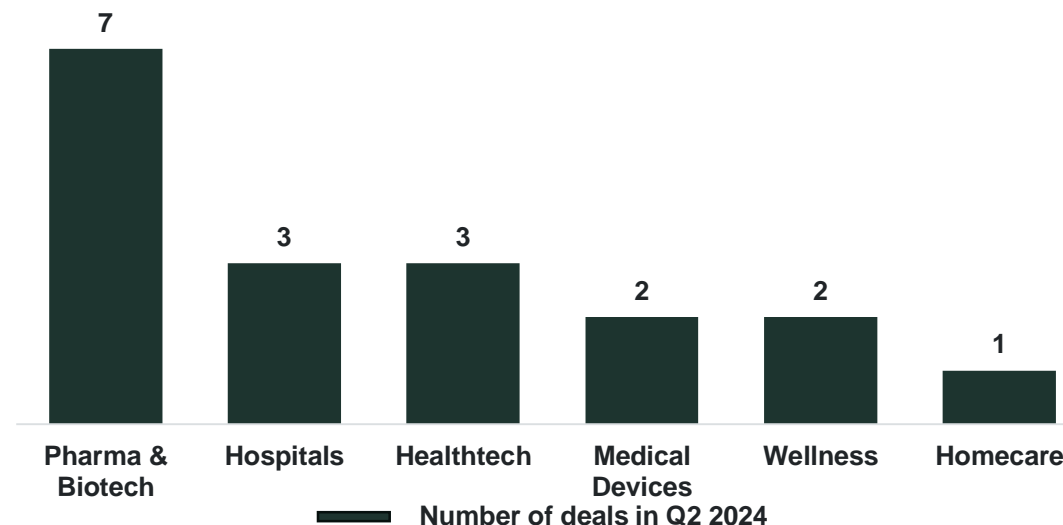
Source: [Grant Thornton Deal Tracker](#)

Pharma, Healthcare and Biotech

Top M&A deals of the quarter

Acquirer	Target	USD Million
Dr. Reddy's Laboratories Ltd	Haleon Plc - Northstar Switzerland SARL	633
Sun Pharmaceutical Industries Ltd	Taro Pharmaceutical Industries Ltd	348
Manipal Health Enterprises Ltd	Medica Synergie Pvt Ltd	169
Healthcare Global Enterprises Ltd	Mahatma Gandhi Cancer Hospital and Research Institute	50

M&A trend by subsectors



Inbound Deals

Volume (1)
Value (USD 34 Mn)



Domestic Deals

Volume (12)
Value (USD 317 Mn)



Outbound Deals

Volume (5)
Value (USD 1,022 Mn)

- The pharma and biotech segment led the overall M&A activity within the sector, with seven deals valued at USD 1.1 billion.
- While most segments experienced an increase in deal activity, the diagnostics sector saw limited activity.
- Dr. Reddy's Laboratories Ltd's acquisition of Haleon Plc (Nicotine brand) and Taro Pharmaceutical Industries' merger with Sun Pharmaceutical Industries indicates that domestic companies will acquire brands/clients in regulated markets for market access.

Source: [Grant Thornton Deal Tracker](#)

Automotives

Top M&A deals of the quarter

Acquirer	Target	USD Million
Sumitomo Mitsui Banking corporation	GreenCell Mobility Private limited	37
Hero MotoCorp Ltd	Ather Energy Pvt Ltd	15
Corporate Warranty India Pvt Ltd	OC Automotive India Private Limited	0.2
Mercury Ev-Tech Limited	Traclaxx Tractors Private Limited	0.1



Inbound Deals

Volume (1)
Value (USD 37 Mn)



Domestic Deals

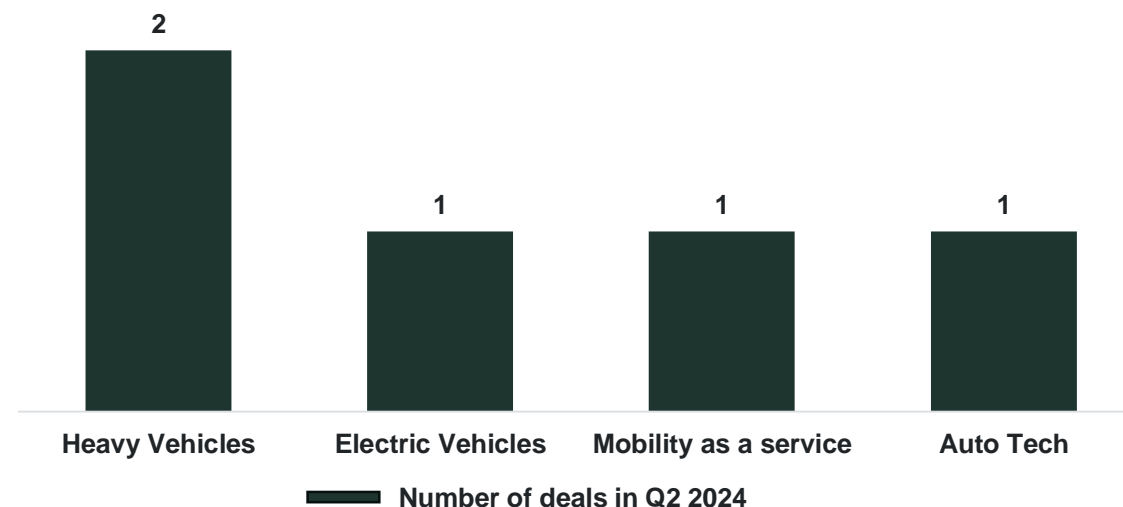
Volume (3)
Value (USD 15 Mn)



Outbound Deals

Volume (1)
Value (USD 5 Mn)

M&A trend by subsectors



- Q2 2024 saw a significant shift towards eco-friendly solutions in EV and Mobility as a Service, despite a 67% decline in total transaction value compared to Q1 2024.
- Hero MotoCorp increased its stake in Ather Energy, and Sumitomo Mitsui Banking Corporation made an inbound investment in GreenCell Mobility, with a focus on growth and innovation in the auto and EV sectors.
- Auto Tech and Heavy Vehicles sectors are attracting interest, with inbound investments showing steady growth over the last six months, emphasizing technological advancements and market expansion.

Source: [Grant Thornton Deal Tracker](#)

Real Estate/REIT

Top M&A deals of the quarter

Acquirer	Target	USD Million
Indiabulls Constructions Ltd	Sky Forest Projects Pvt Ltd	78
ESR India	Oragadam Industrial & Logistics Park	33
Keppel Land Ltd	Smartworks Coworking Space Pvt. Ltd	4
Adani Electricity Mumbai Ltd	Pointleap Projects Pvt Ltd	2



Inbound Deals

Volume (1)
Value (USD 4 Mn)



Domestic Deals

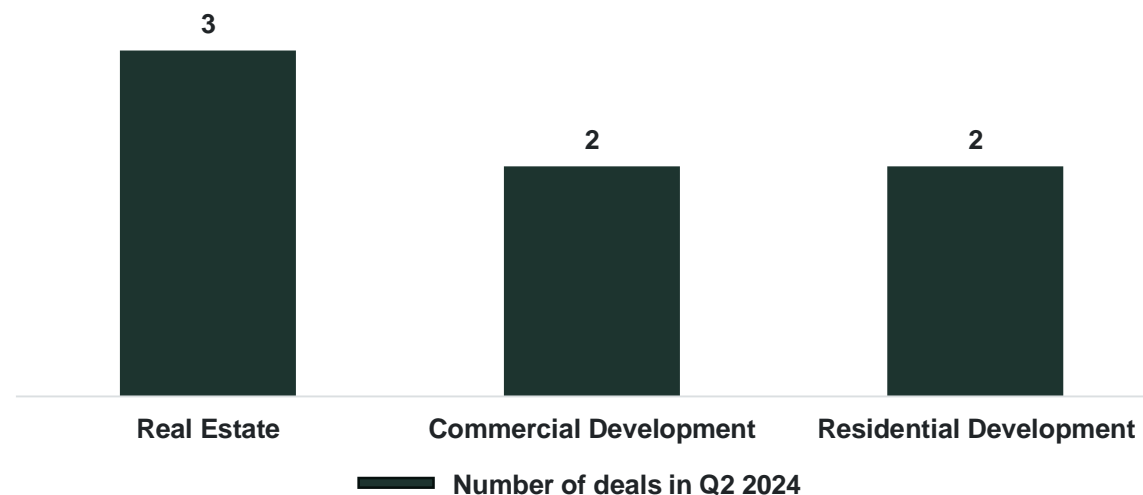
Volume (5)
Value (USD 118 Mn)



Outbound Deals

Volume (1)
Value (USD 1 Mn)

M&A trend by subsectors



- In terms of M&A activity, Q2 2024 saw a blend of domestic and cross-border deals, totaling USD 123 million. This is a marked increase compared to the previous quarter's M&A activity of USD 32 million.
- Key domestic transactions included Indiabulls Constructions' acquisition of Sky Forest Projects and Puravankara Limited's acquisition of Purva Good Earth Properties.
- Inbound investments also gained traction, exemplified by Keppel Land Ltd.'s minority stake in Smartworks, reflecting growing international interest in the Indian real estate market.

Source: [Grant Thornton Deal Tracker](#)



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