

# Indians eyeing offshore firms to gain access: JM Financial

## Healthcare, pharma to drive M&As in coming qtrs

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Indian companies acquiring offshore firms are primarily seeking to gain "access" to specific markets or acquire essential technologies and intellectual property to enhance their competitiveness, according to Sonia Dasgupta, MD & CEO of Investment Banking of JM Financial.

There is a rising interest in outbound investments, with Indian firms actively pursuing acquisitions at favourable valuations, Dasgupta said in an exclusive interview.

The Indian mergers and acquisitions (M&A) market is expected to continue its upward trajectory, driven by macroeconomic factors, stronger corporate balance sheets, substantial private equity funds, and a favourable regulatory environment, Dasgupta said.

India's vibrant capital markets have also played a crucial role in sustaining M&A activity, as equity financing for acquisitions is more accessible during bull markets, she said.

After a decline last year, mergers and acquisitions in India rose by 13.8 per cent, totaling \$69.2 billion in the first nine months of 2024, compared to \$60.8 billion in the same period in 2023. Bharti Airtel's acquisition of a stake in BT Group for \$4.08 billion topped the M&A transactions this year so far. This trend is expected to continue with companies looking for small ticket size deals to gain specific markets or technology, she said.

Indian conglomerates are increasingly concentrating on their core operations, which is leading to more asset sales and quicker exits.

Dasgupta said the focus on a digital economy and sustainability is expected to drive M&A in technology and renewable energy sectors. Additionally, there will be strong deal flows in healthcare, pharmaceuticals, industrials, new-age tech, and financial services.



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