Mergermarket

Ask

# Large-cap deals lift India M&A in 1H26 as outbound activity hits record high – Dealspeak APAC

06 Aug 2026 | 11:32 IST | India | Metal & Steel-Processing

Mergermarket | Proprietary

by Darshan Rane and Kunal Samnani

- Top 10 deals accounted for 59% of total M&A value
- Indian buyers favour the US market followed by the UK, Germany
- Sponsors, buyouts and VC funding sustained market momentum

India's M&A market was buoyed by large-cap transactions in the first half of 2026, while a surge in overseas acquisitions propelled outbound dealmaking to a record high.

Total Indian M&A volume rose 8% year-on-year to USD 79.4bn in 1H26, even as deal count fell 14% to 569 transactions, according to *Mergermarket* data.

"This reflects a market where capital is being deployed with greater conviction into fewer, larger situations, rather than broad-based volume growth," said Gaurav Asthana, managing partner at cross-border M&A advisory firm Transjovan Capital.

The metals and steel sector led activity, with deal volume surging to USD 22bn from USD 542m a year earlier, driven by a handful of large-cap transactions. Utilities and energy followed, with deal volume nearly doubling to USD 15.3bn from USD 7.6bn in 1H25.

Technology remained the most active sector by number of transactions despite a slowdown in volume, recording 148 deals in 1H26 compared with 177 in the corresponding period last year.


Large transactions played an outsized role in overall activity. The top 10 deals accounted for 59% of total M&A volume, with Vedanta's USD 20.7bn aluminium business spin-off alone representing more than a quarter of total deal volume during the period.

**Outbound deals break records**

Indian outbound M&A reached a record USD 21.8bn across 103 deals in 1H26, marking the highes value ever recorded and the highest deal count since 2H10 which recorded 125 deals.

The figures underscore a trend toward larger overseas acquisitions, with the aggregate dollar valu surpassing previous peaks despite fewer transactions than in earlier cycles.

"Indian corporates across sectors such as pharmaceuticals, healthcare and technology have reached a scale where domestic growth alone cannot sustain their ambitions," said Shinoj Koshy, founder and managing partner of SK & Partners, a firm specialising in cross-border legal advisory in India.

"Many now have the balance sheets and access to capital required to pursue strategic overseas acquisitions, and we believe this marks the early stages of a longer-term outbound growth story for Indian businesses," he added.

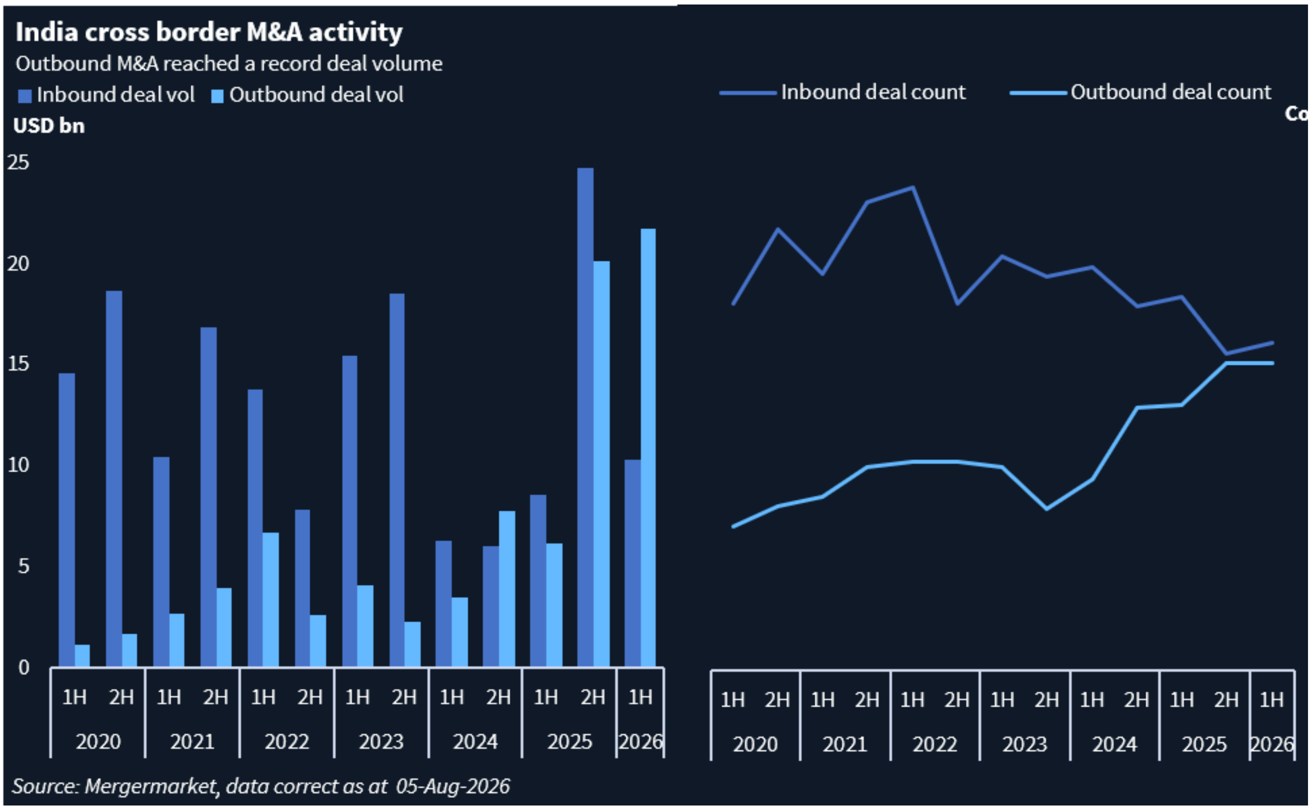
The US remained the preferred destination for Indian acquirers, attracting USD 15.3bn across 37 deals, supported largely by Sun Pharma's USD 11bn acquisition of Organon. The UK followed with USD 3bn across six deals, while Germany accounted for USD 1.4bn across three transactions.

By sector, healthcare led outbound activity by volume at USD 13.7bn across 18 deals, buoyed by several large acquisitions. Technology recorded the highest number of transactions, with 37 deals worth USD 3.2bn.

Inbound M&A into India also strengthened, with deal volume rising 21% year-on-year to USD 10.4bn. However, deal count fell to 110 transactions, one of the lowest half-year totals on record.

“This suggests that foreign investors remain highly positive on India, but are deploying capital more selectively into larger, higher-quality assets,” Koshy said.

He added that a more demanding regulatory and compliance environment for foreign investment has contributed to longer execution timelines, resulting in fewer but larger transactions.

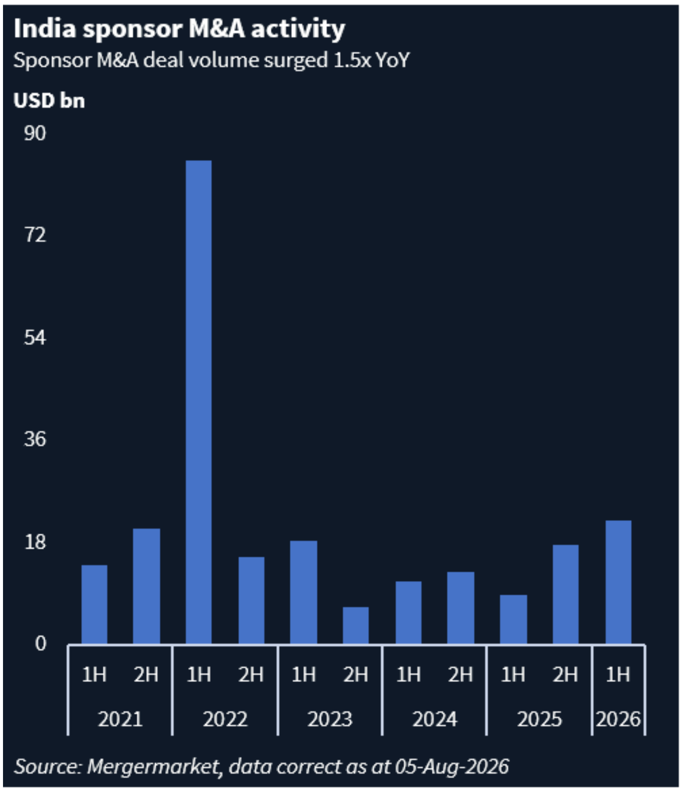



European buyers led inbound activity, with the UK and France investing USD 2.2bn and USD 2bn respectively. The US was the most active acquirer by count with 33 deals. The largest inbound transaction was Vinci’s USD 1.6bn acquisition of Safeway Concessions.

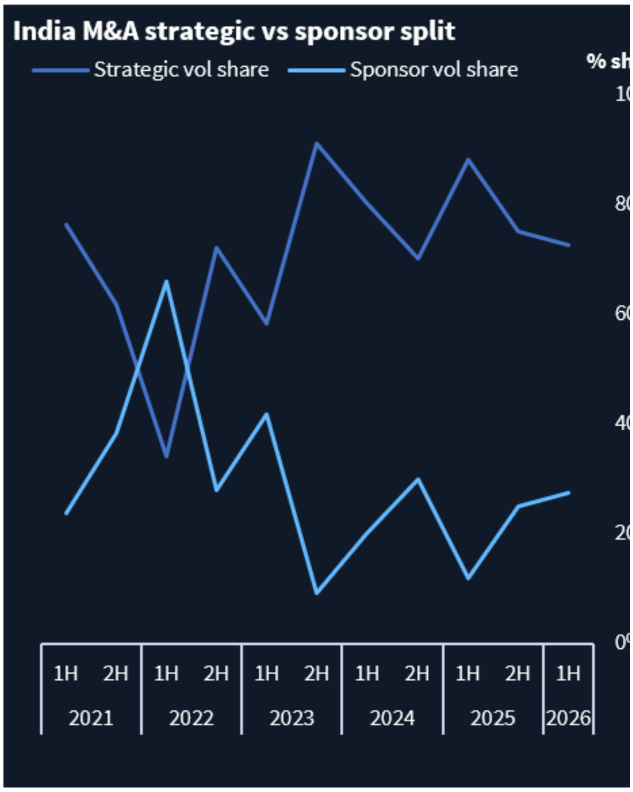
**Sponsor momentum gathers pace**

Sponsor-backed M&A continued to gain traction in 1H26. Deal volume rose 148% year-on-year to USD 21.8bn, even as deal count declined to 78 transactions from 90 a year earlier. The increase made 1H26 the third-strongest half-year on record for sponsor activity, trailing only 1H22 and 1H18.

Buyouts were a key contributor, with deal value increasing 40% to USD 5.8bn across 27 deals, compared with USD 4.1bn across 33 transactions in 1H25. The largest buyout was the USD 1.7bn acquisition of Royal Challengers Sports by a consortium led by Aditya Birla Management, alongside Blackstone, Bennett Coleman and Bolt Ventures.




Source: Mergermarket, data correct as at 05-Aug-2026




Sponsor exits remained resilient. Exit value rose 3% year-on-year to USD 3.8bn, although deal count dropped sharply to six transactions from 15 a year earlier, the lowest half yearly tally since 1H20. The largest exit was Vinci's acquisition of Safeway Concessions from Macquarie Asset Management Holdings.

Venture capital activity also improved. Funding volume increased 22% year-on-year to USD 7.3bn across 195 deals, making it the strongest first half since 1H22. The largest transaction was a USD 1bn investment in Nxtra Data by a consortium that included Alpha Wave Global, valuing the company at an enterprise value of USD 3.1bn.

### Road ahead

Market participants remain positive on the outlook for Indian M&A, although valuation mismatches and global uncertainty continue to pose challenges.

"We remain cautiously optimistic about the outlook for Indian M&A," Koshy said, citing strong economic fundamentals, sustained private equity deployment and continued interest from sovereign wealth funds as key drivers of future activity.

Asthana expects sponsor-led dealmaking to gain further momentum as private equity and buyout funds seek opportunities to deploy record levels of dry powder.

Sector-wise, metals and energy are expected to remain active, supported by infrastructure spending and energy-transition investments, Asthana said, while also highlighting industrials and electronics as sectors to watch, given their alignment with India's manufacturing ambitions and ongoing China+1 supply-chain diversification trends.

by Darshan Rane and Kunal Samnani

*Recent APAC Dealspeak columns you may have missed...*


South Korea's M&A defies broader Asia Pacific slowdown in 1H26 - Dealspeak APAC

APAC M&A volume falls in 1H26, but activity remains robust in select pockets – Dealspeak APAC

China 1H26 M&A slumps while dealmakers look beyond borders- Dealspeak APAC


**Relationships**

**Targets**

Nxtra Data Ltd

Organon & Co

Royal Challengers Bengaluru

Safeway Concessions Pvt Ltd

Vedanta Ltd

Vinci Highways SAS

**Bidders**

Sun Pharmaceutical Industries Ltd

**Related Companies**

Aditya Birla Group

Alpha Wave Global LP

Blackstone

Bolt Ventures

The Times of India Group

Geographies

**Colombia, India, United States**

Sector

**Industrials**

Topics

**Reports & Commentary**

**M&A Activity**

Source

**Proprietary**