

M&A activity declines 34% during 2009

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Chennai, Tamil Nadu, February 24, 2010 /[India PRwire](http://www.indiaprwire.com)/ -- During 2009, Indian companies were involved in a total of 356 M&A deals, down 34% from 2008, according to a study by Venture Intelligence (<http://www.ventureintelligence.in>), a research service focused on Private Equity and M&A transaction activity in India. However, deal activity in the second half of the year was up by 34% when compared to the first six months.

The median deal value in 2009 (for the 151 deals which had announced transaction values) was \$22.3 million, an increase from the \$16.06 million in 2008, the Venture Intelligence study found. In the largest M&A deal by announced value, UltraTech Cement merged Samruddhi Cement with itself to form India's largest Cement Company. This was followed by ONGC Videsh acquiring UK-listed Imperial Energy for \$1.9 billion and Sanofi-Aventis' acquisition of Hyderabad based Shantha Biotechnics.

Over 56% of the deals in 2009 were domestic acquisitions, as against the 43% in 2008.

The most preferred destination for Indian acquirers was USA with 22 of the 85 outbound targets in 2009 located in that country, followed by the UK and Australia (with 9 deals each). The acquirers in 28 of the 70 inbound deals were US-based companies, followed by German firms with ten deals and French firms with eight deals.

The IT & ITES and Manufacturing industries accounted for most number of acquisitions during 2009 contributing 22% and 18% respectively. The activity in the IT & ITES industry however fell from 27% during the same period last year. The share of manufacturing deals fell marginally (from 19%).

Notes to Editor

About Venture Intelligence

Venture Intelligence, a division of Chennai-based TSJ Media Pvt. Ltd., is the leading source of information on private equity and M&A transactions in India. For more information, please visit <http://www.ventureintelligence.in>

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