

M & A[®]

CRITIQUE

THE WHYS AND THE HOWS



**Empire Strikes again
Sun Pharma and Organon
Strategic Merger Genesis**

ACQUISITION

Man Industries'
First International Acquisition

ACQUISITION

Anupam Rasayan India Limited –
the serial acquirer

A One of a Kind Online Portal for all your restructuring needs.

The site will soon launch the models apart from various other online models available as of now to enable professionals and businessman to make a better decision of choosing and executing a restructuring for their clients and companies.

MAIN FEATURES:

Step Execution Support

By

Restructuring Modules A Step



Expand



Buy & Sell



Revamp

Features of Modules:

- Enables you to arrive at an optimal business decision
- Provides you with available modes to execute a transaction
- Relevant Online Support Services. eg. Quick Valuation, Scheme Drafting etc.

RESTRUCTURING WIZARD

The module enables you to monitor the steps for execution of your deal **Online**

Other Online & Offline Models:

[Know your Company's Worth \(Valuation Models\)](#)

[Stamp duty calculator](#)

[Legal & Compliance Support](#)

[Buy-Sell Center \(An online marketplace for buyers and sellers\)](#)

[Assets Turnaround Services](#)

[Enhance Business Performance](#)



For your offline support please turn to the last page for our parent company which takes a company restructuring from idea to integrations. Contact Details too on the last page.



Editorial Board

Editor: Dr. Haresh Shah

Advisors

Mr. Upendra Shah
Mr. Vikram Trivedi
Mr. Nitin Gutka
Mr. Neeraj Marathe

Research Team

Mr. Aniruddha Jain
Mr. Satish Kadroli

Editorial & Marketing Office

First Floor, Matruchaya building,
Plot no 27, Mitramandal Colony, Pune 411 009.
Telefax : (020) 2442 5826

Email : info@mergersindia.com

Legal Associate

Manilal Kher, Ambalal & Co.
MKA Chambers, Crossley House,
Britiesh Hotel Lane,
Off Bombay Samachar Marg,
Fort, Mumbai 400 001
Email : mka@gmkaco.com

Printed & Published by

Mrs. Jyoti Shah on behalf of
HU Mergersindia.com Pvt. Ltd.,
First Floor, Flat no 1, Matruchaya building,
Plot no 27, Mitramandal Colony,
Parvati, Pune - 411 009.
Telefax : 020 24420209

Disclaimer

HU Mergersindia.com Pvt. Ltd. or any of its sister concerns are not legally or otherwise liable for any consequences arising out of the view expressed. HU Mergersindia.com Pvt. Ltd. assumes no liability or responsibility for any inaccurate, delayed or incomplete information, nor for any actions taken in reliance thereon. The information contained about each individual, event or organization has been provided by such individual, event organizers or organization without verification by us.

The deal-making momentum in May 2026 saw a significant moderation from the "exceptionally strong" peak of April. Total deal value fell 66% to \$10.2 billion, across 190 transactions. However, this "sharp decline" is somewhat deceptive; April's figures were inflated by a single \$11.8 billion mega-deal by Sun Pharma. Adjusted for such outliers, underlying transaction activity remains stable.

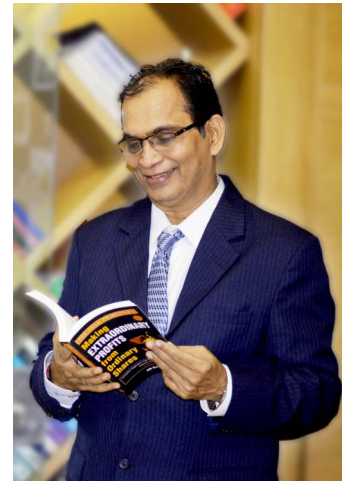
The IBC, celebrated for transforming India from a "debtor-in-possession" to a "creditor-in-control" framework, has facilitated the realization of over ₹4 lakh crore for creditors since its inception in 2016. As India marks the first decade of the Insolvency and Bankruptcy Code (IBC) in June 2026, the corporate landscape presents a complex dichotomy. While deal-making activity remains fundamentally resilient through selective high-value bets, the insolvency framework is grappling with systemic delays and a sharp decline in recovery rates.

Contrary to a general conservative approach for raising debt acquisitions, we are starting to see highly leveraged buyouts across sectors. In this month's issue, we are looking at 3 such transactions.

Sun Pharma is undertaking a transformative \$11.75 billion all-cash acquisition of Organon & Co. to propel itself into the top 25 global pharmaceutical firms with combined annual revenues of approximately US \$12.4 billion. This strategic merger establishes Women's Health as a core therapeutic pillar, marking Sun's major entry into the biosimilars market and providing a scaled commercial platform in China to directly launch its innovative specialty portfolio across 150 markets. Sun Pharma shall utilise \$2 billion to 2.5 billion of its own cash alongside significant bank financing. While the company faces risks related to integration and Organon's stagnant growth, management plans to leverage a combined 24,000-person commercial team and Organon's R&D legacy to transform into a global "partner of choice" for innovative medicines.

Man Industries has executed its first international expansion by acquiring 100% of the Saudi Arabia-based National Pipe Company (NPC) for approximately USD 102 million through its wholly owned subsidiary. Financially, the deal is highlighted by NPC's USD 83 million cash surplus and debt-free status, which management describes as an "attractive valuation" that could be substantially earnings accretive. To safeguard the Indian parent's balance sheet, the acquisition debt is ring-fenced at the subsidiary level.

Anupam Rasayan is acquiring a controlling stake in Bliss GVS Pharma for approximately ₹2000 crores to create a vertically integrated global life sciences platform that spans the entire value chain from key starting materials to finished dosage formulations. Strategically, the deal provides immediate access to Bliss GVS's established footprint in Africa, Asia, and Latin America while leveraging Anupam's expertise in regulated markets. We look at the unique consideration structure and also peek into recent acquisitions and its structure.



Along with our regular features
Happy Reading....

Dr. Haresh Shah

ACQUISITION

Man Industries'
First International Acquisition



05

COVER ARTICLE

Empire Strikes again
Sun Pharma and Organon
Strategic Merger Genesis



20

ACQUISITION

Anupam Rasayan India Limited –
the serial acquirer



08

M&A DIGEST



13

Man Industries' First International Acquisition



Haresh Shah

Man Industries' acquisition of **National Pipe Company (NPC)** in Saudi Arabia marks a defining strategic step: it is the group's first international acquisition and a meaningful expansion from an India-led manufacturing platform into a more diversified regional footprint. Executed through its Saudi wholly owned subsidiary, MAN International Steel Industries Company (MISIC), the transaction adds established manufacturing capacity, customer access, and local market credibility in one of the world's most important pipeline and infrastructure markets. More importantly, it changes the quality of the group's earnings profile by increasing exposure to higher-margin, faster-growing end markets in energy, desalination, and industrial infrastructure.

Transaction

The transaction involved the acquisition of 100% of National Pipe Company (NPC),

a Saudi Arabia-based manufacturer of HSAW and LSAW pipes, for approximately USD 102 million. Further NPC have cash surplus of about USD 83 million. MISIC, Man Industries wholly owned Saudi subsidiary, executed the deal. This deal, through NPC, adds around 430,000 metric tonnes per annum of installed capacity, integrated manufacturing facilities in Saudi Arabia, established approvals and operating relationships, and a presence across oil and gas pipelines, water transmission, infrastructure, and industrial projects. Management has highlighted the company's attractive valuation, debt-free status, profitable track record, and substantial liquid assets at the time of acquisition. Together, these factors make the transaction significant not only strategically but also financially.

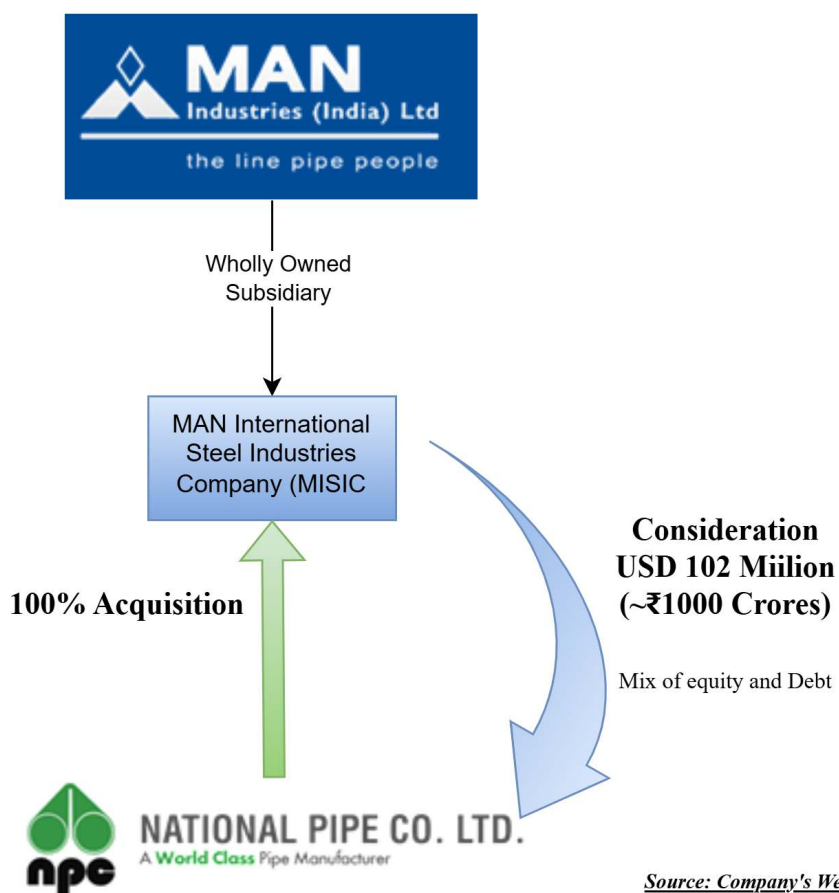
Structure of the Transaction

The deal is structured through MISIC rather than directly on the Indian listed company's balance sheet. This is significant for three reasons. First, it gives the group a local operating platform in Saudi Arabia, which is strategically relevant because customer qualification, local execution capability, and procurement alignment matter in that market. Second, the structure allows the acquired business and its local cash flows to support its own funding requirements and debt servicing.

Third, it ring-fences operational leverage within the Saudi platform instead of loading direct acquisition debt onto the standalone Indian entity. Based on

"The acquisition provides immediate scale and "attractive valuation" in the Saudi Arabian market

TRANSACTION OVERVIEW



Source: Company's Website and Announcement

management disclosures, the funding mix included debt and internal accruals or equity contribution, with the debt housed at the Saudi subsidiary level. This means the Indian parent benefits from the economics of the acquisition while limiting direct pressure on its standalone balance sheet, although corporate guarantee given by Indian company still carries contingent risk.

Strategic Rationale and Long-Term Value Creation

From a long-term perspective, the acquisition strengthens Man Industries in ways that go beyond headline capacity addition. It provides immediate entry into Saudi Arabia's energy and water infrastructure ecosystem through an operating asset that already has customer relationships, approvals etc.

That is materially different from attempting a greenfield entry, where approval cycles, customer qualification, and plant ramp-up could take years. The transaction also improves geographic diversification by reducing dependence on India alone and building a second manufacturing base closer to large demand pools in the Gulf. If integrated well, the Saudi platform can become a meaningful growth engine for the group, supporting both revenue expansion and margin improvement over time. In addition, combining pipe manufacturing with coating capability can create a more integrated offering, potentially improving customer stickiness, bidding

competitiveness, and value capture per project.

Long-Term Pros of the Transaction

The long-term advantages of the acquisition are substantial. First, it creates immediate scale in a strategically important international market. Second, it can structurally improve the group's margin profile if Saudi operations continue to earn better profitability than the domestic business mix. Third, the transaction increases access to sectors with durable capital expenditure visibility,

“Success depends on overcoming complex cross-border integration challenges and potential earnings volatility caused by regional geopolitical risks or shifting project cycles in Saudi Arabia

especially oil and gas transmission, desalination, water transport, and industrial infrastructure. Fourth, it strengthens the company's competitive positioning by pairing Indian manufacturing experience with local Saudi execution capability. Fifth, because the acquired company came with operating history, customers, and liquid assets, the acquisition offers a stronger starting position than a typical overseas expansion. Finally, if management's integration thesis plays out, the acquisition could be substantial earnings accretive and cash generative over time, thereby supporting higher consolidated return ratios and strengthening shareholder value creation.

Risks of the Transaction

Despite its merits, the acquisition is not without risk. The first challenge is integration: cross-border acquisitions often look compelling on paper but fail to deliver full value if systems, management processes, incentives, and working capital discipline are not aligned. The second is market cyclicality. Saudi infrastructure and energy investment may remain strong, but project timing, tendering cycles, and policy priorities can still create earnings volatility. The third is geopolitical and regional execution risk, including logistics disruptions and shifts in trade

flows. The fourth is leverage and funding risk at the subsidiary level; even if debt is not directly housed in India, weak operating cash generation at the acquired business could still affect consolidated earnings and create pressure through guarantees and refinancing needs. Finally, there is always a risk that expected synergies, margin gains, or growth assumptions take longer to materialize than investors initially expect.

Value Creation

For the Indian company and its shareholders, the key question is whether the acquisition can translate into sustainable free cash flow and better long-term equity value. The positive case is clear: if NPC and the broader Saudi platform generate steady operating cash flows, they can service local debt, fund growth capex, and eventually upstream value to the parent through higher consolidated earnings and stronger balance-sheet quality. In that scenario, shareholders benefit through a combination of earnings accretion, improved return on capital, a more diversified business mix, and a potentially stronger valuation multiple. The acquisition may also reduce concentration risk by adding a second major profit pool outside India. However, value creation for Indian shareholders

depends on disciplined capital allocation. Cash generated by the Saudi business must exceed the true cost of acquisition, integration, financing, and future capex. The most important markers to watch will be subsidiary-level cash generation, debt reduction, working capital control, utilization of the acquired assets, and the pace at which consolidated margins and return ratios improve. If these indicators move in the right direction, the transaction can become a meaningful creator of shareholder wealth rather than merely an expansion in size.

Overall, Man Industries' first international acquisition appears to be strategically well chosen and financially meaningful. It provides an immediate operating foothold in Saudi Arabia, adds meaningful capacity and customer access, and creates the possibility of structurally higher consolidated growth and margins. At the same time, the ultimate success of the transaction will depend less on the acquisition announcement itself and more on execution after closing integration discipline, cash conversion, prudent debt management, and the ability to translate strategic presence into recurring profitable business. If management delivers on those fronts, this acquisition could represent the beginning of a new phase of long-term value creation for the Indian company and its shareholders. valuation is mouthwatering low and too good to be true. If there are no surprises, in our opinion it is likely to create substantial value in the long run.

Please share your experiences/feedback with
us on feedback@mnacritique.com

Anupam Rasayan India Limited – the serial acquirer

Anupam Rasayan India Limited entered into a definitive agreement to acquire an initial **43.3% to 48.2% equity stake** in **Bliss GVS Pharma Limited**, followed by an Open Offer to public shareholders to secure a controlling stake. Bliss GVS is an India-based pharmaceutical formulations company specializing in niche dosage forms like suppositories and pessaries, with a strong international footprint in Africa, Asia, and Latin America.

Acquisition Consideration and Structure

The total purchase consideration of circa ₹2000 crores for the acquisition is financed through a combination of debt and a unique equity-linked instrument:

- ❖ **₹300 Crores** via Term **Loan** (or Non-Convertible Debentures/NCDs).
- ❖ A **Non-Controlling, Non-Voting equity instrument** provided by a **global investment management firm** for the balance amount.

The deal is structured such that a Wholly Owned Subsidiary (WOS) of Anupam Rasayan acts as the investment vehicle to acquire the stake in Bliss GVS. This structure allows Anupam Rasayan to maintain **full control and consolidation** of Bliss GVS while the external fund provides much of the capital through a quasi-equity instrument.

Pros and Cons of the Deal Structure

Pros:

- ❖ **Non-Dilutive:** The structure avoids the immediate dilution of Anupam Rasayan's existing equity shares, which would typically occur in a share-swap or fresh equity issuance.
-
- ❖ **Full Consolidation:** Despite the



“This acquisition shall create a vertically integrated global life sciences platform, bridging the gap from raw materials to finished formulations while providing immediate access to established markets in Africa, Asia, and Latin America”

external funding, Anupam retains full operational control and consolidates 100% of the target's financials.

❖ **EPS Accretive:** The management expects the deal to be EPS accretive from "day 1".

❖ **Capital Efficiency:** It limits the direct debt burden on Anupam's balance sheet to ₹300 Crores, preserving its financial risk profile.

Cons:

Consideration is in fact fully financed by debt. If in any case acquisition turns out to be not value accretive, the consideration is to be made good by the holding company from its own cash flow. Rating agencies have placed the company on watch due to the uncertainty and potential increase in total liabilities and complexity of the instrument. Further as corporate

guarantee is to be given to holders of non-voting, non-participating instruments which in case of default will be as good or bad as debt.

Uniqueness of the Consideration Structure

The deal is unique because it utilizes a non-participating and non-diluting equity instrument as a "quasi-equity." This allows Anupam Rasayan to leverage external capital for a large acquisition without:

1. Issuing Anupam Rasayan's own equity shares, which would dilute current shareholders.
2. Using full debt financing, which would significantly stretch the company's leverage ratios and interest coverage immediately

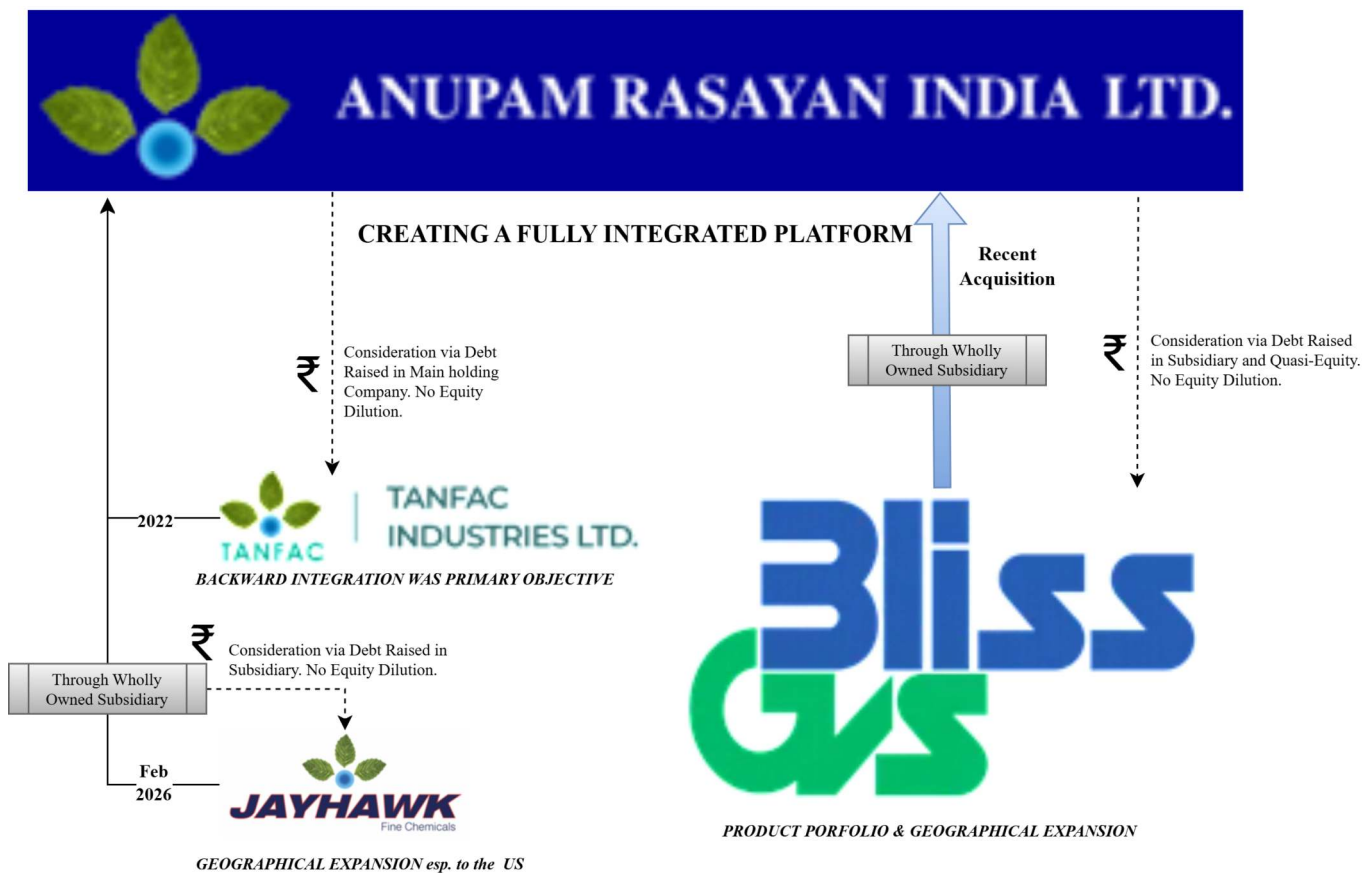
Comparison with Full Loan Financing

If the entire consideration had been financed via a loan, Anupam's Adjusted Net Leverage and Total Outside Liabilities to Adjusted Net worth (TOLANW) would have likely exceeded the comfortable threshold of 0.80 times mentioned by CRISIL. By using the non-voting equity instrument, the company limits its new debt to ₹300 Crores, keeping its overall debt levels (on a net basis) at a manageable ₹1,400 to ₹1,500 Crores relative to a consolidated EBITDA of over ₹800 Crores.

Expected SYNERGIES

The acquisition of Bliss GVS Pharma is expected to create significant strategic and operational synergies, primarily by

Acquisitions Overview



Source: Company's Website and Announcement

transforming Anupam Rasayan into an integrated global life sciences and specialty pharmaceutical platform.

Specific synergies identified in the sources include:

❖ **Value Chain Integration:** The deal enables "end-to-end" vertical integration, allowing the combined entity to span the entire pharmaceutical value chain from Key Starting Materials (KSMs) to finished dosage formulations (FDF).

❖ **Establishment of a CDMO Platform:** Bliss GVS is intended to serve as the primary vehicle for Anupam's future pharmaceutical CDMO (Contract Development and Manufacturing Organisation) and CMO opportunities. This structure is expected to offer a more focused and scalable platform for global innovators.

❖ **Operational Efficiencies and Capacity Ramp-up:** Bliss GVS currently operates at a capacity utilization of only 30%. Anupam management believes they can quickly enhance this to 60%–70% in the near-to-medium term by leveraging increased demand and improved customer engagement.

❖ **Geographical Expansion and Market Access:**

o **Regulated Markets:** Bliss GVS will benefit from Anupam's strong presence and expertise in highly regulated markets such as the U.S. and **Europe** to expand its own business there. While Bliss GVS already has the necessary permissions and approvals for these markets, Anupam's capabilities are expected to accelerate this expansion

o **Emerging Markets:** Conversely, Anupam gains access to Bliss GVS's well-established international footprint in Africa, Asia, and Latin America.

❖ **Customer "Cross-Pollination":** The combined platform allows for improved customer engagement by offering a broader integrated solution to existing and new multinational customers.

❖ **Portfolio Diversification:** Anupam will significantly expand its participation in high-growth therapeutic segments, including Cardiovascular, Antidiabetic, Antibiotics, Anti-malarial, and Anti-inflammatory segments²⁵. Bliss GVS brings a diversified portfolio of over 150 branded formulations and expertise in niche dosage forms like suppositories and pessaries.

❖ **Innovation:** The integrated approach is expected to accelerate innovation across both regulated and semi-regulated markets.

❖ **CDMO and CMO Opportunities:** Bliss GVS will become the **primary vehicle** for Anupam's future pharmaceutical CDMO (Contract Development and Manufacturing Organisation) and CMO opportunities⁶⁷. This includes taking on new projects for global innovators that require specialized manufacturing solutions.

❖ **Strategic Capex for CDMO:** Specifically, for the CDMO business, a separate **₹250 crore capex at the Halol facility** is underway¹. This facility is being developed for a large multinational pharmaceutical player, which is expected to significantly contribute to future revenue growth and asset utilisation.

Recent & Past Acquisitions by Anupam Rasayan

Anupam Rasayan acquired Tanfac Industries earlier. A few months back it acquired Jayhawk Fine Chemicals. Reasons for the Jayhawk acquisition are to enhance their global reach as enumerated by the management.

The acquisition of **Jayhawk Fine Chemicals LLC (JFCL)** significantly

enhances Anupam Rasayan's global reach by providing a strategic manufacturing footprint in the United States. This move is central to the company's vision of building an integrated global life sciences and specialty pharmaceutical platform.

The enhancement of their global reach occurs through several key strategic avenues:

1. Strategic Presence in Regulated Markets

The acquisition provides Anupam Rasayan with a physical manufacturing presence in the U.S., which serves as a gateway to **highly regulated and innovation-led markets** in North America and Europe²⁵. This local presence allows the company to work more closely with global innovators on advanced specialty chemicals and pharmaceutical applications.

2. Participation in High-Growth Sectors

Through Jayhawk, Anupam Rasayan has increased its participation in specialized, high-growth global sectors, including:

❖ **Defense and Semiconductors:** The acquisition helps the company deepen its involvement in these critical industries.

❖ **Performance Materials and EV Applications:** It adds further capabilities to the company's platform in these advanced segments.

❖ **Custom Synthesis (CSM):** It strengthens their advanced custom synthesis capabilities on a global scale.

3. Customer Synergies and Cross Pollination

The deal allows for a significant exchange of customer bases:

"In the event of a default, the non-voting, non-participating instruments are considered "as good or bad as debt," potentially straining the company's financial risk profile despite the intended capital efficiency

❖ **New Customer Access:** Jayhawk brings new customers to Anupam Rasayan, while Anupam can offer its existing global customer base to Jayhawk.

❖ **Deepening Multinational Ties:** The platform helps deepen relationships with multinational customers by offering a broader, integrated solution rather than narrow, localized services.

4. "Make in America" Strategic Advantage

Operating through a U.S.-based subsidiary allows Anupam Rasayan to leverage the "Make in America" campaign. This provides significant traction with end customers in the American market who value locally manufactured high-end products for sectors like defense and semiconductors.

By integrating Jayhawk's pro forma annual revenue of approximately **US\$76 million** (as of FY26), Anupam Rasayan has moved toward becoming a more diversified global entity with a manufacturing ecosystem that spans multiple geographies.

Tanfac Industries Ltd. (Tanfac) plays a critical role in Anupam Rasayan's backward integration strategy by serving as a primary supplier of essential Key Starting Materials (KSMs) for its advanced chemical processes.

The following points detail how Tanfac supports this strategy:

❖ **Securing Critical Raw Materials:** Tanfac is a leading Indian producer of **hydrogen fluoride (hydrofluoric acid) and potassium fluoride**. These materials are vital inputs for manufacturing the fluorinated molecules used across Anupam's core verticals: pharmaceuticals, agrochemicals, and high-performance polymers.

❖ **Uninterrupted Supply Chain:** By acquiring a stake in Tanfac, Anupam has secured a **guaranteed and uninterrupted supply** of these critical reagents. This reduces the company's dependence on external vendors and mitigates risks associated with raw material shortages.

❖ **Cost Competitiveness and Visibility:** The integration improves **supply chain visibility and cost competitiveness**, allowing Anupam to better manage its production costs and offer competitive pricing for its specialty chemical product.

❖ **Strategic Growth and Innovation:** Access to Tanfac's fluorination platform supports the development of **differentiated fluorine-based intermediates** for global customers. This capability has directly contributed to Anupam's ability to secure new contracts and Letters of Intent (LOIs) by providing customers with higher supply security.

❖ **Operational Linkages:** Tanfac is considered **strategically important** due to its significant operational linkages with the rest of the Anupam Rasayan group, enabling a more integrated and efficient manufacturing ecosystem

Unique Acquisition structure

The unique strategy employed by Anupam Rasayan in managing its three key acquisitions—**Tanfac Industries, Jayhawk Fine Chemicals, and Bliss GVS Pharma**—revolves around creating a **globally integrated pharmaceutical and specialty chemical "platform"** rather than a traditional conglomerate of independent subsidiaries.

The specific unique elements of this strategy include:

1. The "Platform" Over Corporate Merger

Instead of merging these entities into one corporate body, Anupam Rasayan maintains them as **independent entities** while leveraging their collective strengths. This allows the group to:

❖ **Segregate manufacturing steps:** Processes are allocated across different plants based on specific organizational capacities and chemical expertise, avoiding duplication of effort.

❖ **Offer a "Full Solution":** The company transitioned from offering "narrow solutions" to a "larger solution" platform. A customer engagement now involves the

collective capabilities of the entire ecosystem rather than just one entity.

2. End-to-End Vertical Integration

The three acquisitions complete a massive vertical value chain that is unique in its breadth:

❖ **Backward Integration (Tanfac):** Secures the supply of critical Key Starting Materials (KSMs) like hydrogen fluoride and potassium fluoride.

❖ **Advanced Synthesis (Anupam & Jayhawk):** Handles complex multi-step chemistry and high-end niche applications in sectors like defense and semiconductors.

❖ **Forward Integration (Bliss GVS):** Moves the company into **Finished Dosage Formulations (FDF)**, allowing the group to manage a product from the raw chemical input to the final branded medicine.

3. Independent Management with Strategic Support

Anupam Rasayan follows a "classic blend of **independence versus support**".

❖ **Retention of Talent:** They specifically choose to retain and work with the existing professional management teams of the acquired companies, as seen in the transitions for both Tanfac and Bliss GVS.

❖ **Operational Autonomy:** The acquired businesses run their own daily operations, while Anupam Rasayan provides high-level guidance, particularly in expanding their reach into **highly regulated markets** like the U.S. and Europe.

4. "Cross-Pollination" of Markets and Customers

The strategy uses the different geographical strengths of each acquisition to benefit the whole group.

❖ **Market Gateway:** Anupam uses its strong presence in the **U.S. and Europe** to help Bliss GVS (which traditionally focused on emerging markets like Africa) gain

faster traction in regulated pharmaceutical markets.

❖ **Customer Synergies:** The acquisitions provide access to complementary customer bases. For example, Jayhawk offers a gateway to U.S. innovation-led customers, which Anupam can then leverage for its other business verticals.

Anupam Rasayan's three acquisitions were financed by debt and without using its own equity. It also did not want to consolidate and merge with itself and allow present management to continue running the business. Specifically, in the Bliss GVS acquisition, the company used a unique funding structure involving non-controlling,

non-voting equity instruments. This allows Anupam Rasayan to fully consolidate the target's financials and maintain operational control without diluting its own equity or over-leveraging its balance sheet with traditional debt. One must observe how this platform strategy creates additional value for all stakeholders in the long run.



Every month M & A critique gives valuable insights to **over 5000 Readers from Corporate World on-**

- Recent Deals in the M & A Space
- Updated News on National, International & Cross-Border News
- M & A Happenings in NCLT Updated every month

Advertise with us to reach the key decision makers in the Corporate World.

For more info, Contact:- 020-24425826 | Email: subscribe@mnacritique.com

IDBI Bank stake sale back on table; Centre explores revival options

M&A Digest
www.mnacritique.com THE WHYS AND THE HOWS

The Centre is exploring ways to revive the stalled privatisation of IDBI Bank, people familiar with the matter told ET. The choices include examining whether earlier rejected bids, from Prem Watsa-led Fairfax Financial Holdings and Emirates NBD, for their failure to hurdle the reserve price threshold could still be considered, they said.

The bids remain 'alive' and the government is examining legal provisions under the tendering framework that allows for bids to be accepted even if offers are below the reserve price, said the people cited above.

The reserve price remains undisclosed. A call is expected to be taken soon as the government looks at ways to bolster its non-tax revenues. A senior government official said that all options are on the table, as the process for selling its stake in IDBI Bank was never "scrapped" even after the financial bids were found to be below the reserve price. "Multiple options are being examined including how to complete the transaction in the ongoing round," an official said. The government fixed the reserve price after bids were submitted by interested parties but before they were opened.

The reserve price remains confidential and has not been disclosed to bidders. The Centre may also seek guidance from, the Securities and Exchange Board of India, given the valuation concerns considering a very limited free public float, currently at 5.29%.

Low Public Float

"All these aspects are being examined," said another official. In February 2026, Arunish Chawla, secretary, Department of Investment and Public Affairs, or DIPAM, had said in a post on X that financial bids had been received for the strategic disinvestment of the IDBI Bank.

"They will be evaluated as per the prescribed procedure," he stated. But the stake sale process came to a halt in March after the bids received were found to be below the reserve price. IDBI's share price then crashed from a 52-week high of Rs 118.45 to a 52-week low on March 30 at Rs

61.05 at the Bombay Stock Exchange, or BSE.

The stock gained some momentum in April and is currently trading at Rs 73.49 on the BSE. The government aims to sell its 30.48% stake and Life Insurance Corporation of India's 30.24% stake in the bank. At the current market price, it will be able to raise around Rs 24,000 crore. The government has budgeted Rs 80,000 crore from asset monetisation in this fiscal.

As per the process, the successful bidder will have to go through a final assessment by the Reserve Bank of India (RBI) to ensure that it meets the regulator's 'fit & proper' standards. In addition, approvals will be needed from statutory and regulatory authorities, including the Competition Commission of India. The successful bidder will also have to comply with the requirement to make an open offer to minority shareholders of IDBI Bank.

InvITs industry pushes for easier M&A rules to boost investor interest

The InvITs industry with ₹7 lakh crore of assets under management is seeking M&A-friendly guidelines from regulators for the asset class to be able to attract more investors, several industry executives said.

Their request is that guidelines for change of control transactions involving InvITs should have parity with market regulator Sebi's open offer guidelines, they said.

In the case of change of control in a listed company wherein an acquirer picks up a 25% stake or more from an existing promoter, the acquirer needs to make a further offer to buy up to 26% of the shares held by public equity shareholders.

In the case of InvITs, three fourth of unit holders, other than the InvITs sponsor, need to approve a change of

control transaction. This could mean that the liability of a buyer could extend beyond the 26% offer they would need to make in the case of a listed company.

For instance, if only 67% of unit holders of an InvIT who are in the category of public, consent to a change of control, an acquirer would theoretically have to buy 33% of the unit holders who did not consent.

More InvITs are coming up and there "may be many opportunities" for change in sponsor, said Danny Samuel, chief executive officer of the publicly listed Roadstar Trust.

"In theory, the incoming buyer may end up buying a very large portion of public/non-sponsor units. Bharat InvITs Association has submitted a white paper to Sebi to make regulations simpler for incoming buyers and perhaps make it similar to requirements for equity holders with similar limits," said Samuel.

M&A Enabler: Seek open offer-type mechanism, say 75% of unit holders, other than sponsor, now need to okay sale of an InvIT

"If the current norms are indeed cumbersome, then having a tried and tested approach from the takeover code being adopted makes sense," said a former regulatory official.

While some believe open offer thresholds akin to those for listed companies will help M&A transactions in InvITs take off, others said minor changes in the way threshold limits for approval of changes in control are calculated are also in order.

"Any change in sponsor or change in control of sponsor in an InvIT, or an InvIT becoming self-sponsored, requires approval from 75% of all unitholders by value. In widely held InvITs with large institutional and retail participation, achieving this threshold can become practically difficult," said Harsh Shah, managing director of publicly listed Indigrid, a KKR-backed InvIT.

"The representation has, therefore, suggested that the approval threshold may instead be linked to unitholders present and voting, similar to several other listed market processes," he said.

There are currently 24 listed InvITs, spanning roads, power transmission, renewables, telecom and gas pipelines. Road InvITs alone account for about ₹3 lakh crore of the total AUM as of March 2026.

"In light of the peculiar governance structure, the current InvIT regulatory framework seeks to protect the minority unitholders by giving them a vote on the change in sponsor decision itself, in addition to an exit offer if the vote is defeated. A change in the manner in which such votes are counted will make the framework more beneficial for all parties," said Nikhil Naredi, partner, Shardul Amarchand Mangaldas.

"Aligning dissenting unitholder exits in InvITs with a transparent open-offer framework can strengthen minority investor confidence and improve governance credibility," said an investment banker on the condition of anonymity.

True North buys 25% stake in pharma co Embio

Homegrown private equity firm True North will acquire a minority stake in Embio Ltd, a regulated markets-focused manufacturer of Active Pharmaceutical Ingredients (APIs), True North announced.

According to sources, True North invested about \$50 million (₹478 cr) to acquire a 25% stake in Embio.

The investment marks the third investment from True North's Fund VII, and the first investment in the pharmaceuticals sector from this fund.

The proceeds from this investment will largely be deployed toward R&D, and capacity expansion at Embio's

upcoming manufacturing facility in Dahej, Gujarat and to scale the CDMO business.

Embio is a manufacturer of complex APIs and intermediates with deep specialization in Synthetic Biology, integrating chemical and fermentation-based processes, alongside expertise in controlled substances, it said.

The company's portfolio spans multiple therapeutic areas, including nasal decongestants, ADHD, Parkinson's disease, anti-epileptics, and anti-HIV drugs.

Embio has a global customer base across more than 80 markets, including the United States, Europe, Japan, Brazil, Canada, Africa, and the Middle East.

Satish Chander, Partner, True North, says, "Embio has established a strong position in complex APIs through its focus on technical excellence, long standing customer relationships in regulated markets, and a consistent focus on customer centricity and quality. We believe the Company is well-placed to play a meaningful role in India's pharmaceutical manufacturing for global regulated markets."

Devesh Malladi, Managing Director, Embio Ltd, added, "Their strong track record of partnering with high quality healthcare businesses and long-term approach makes them an ideal partner as we continue investing in technology, sustainability, and talent to position Embio as a leading Synthetic Biology based pharmaceutical company."

Government okays Skymap Pharmaceuticals' Rs 121-cr bid to buy IMPCL

The government has approved strategic sale of Indian Medicines Pharmaceutical Corporation Ltd (IMPCL) to Skymap Pharmaceuticals Pvt Ltd for over Rs 121 crore, the finance ministry said.

The government had received two financial bids for buying 100 per cent stake, along with management control, in IMPCL, and among them, M/s. Skymap Pharmaceuticals Pvt Ltd has emerged as the highest bidder at Rs 121,00,94,400, which was also above the reserve price, the ministry said in a statement.

Under the Ministry of Ayush, IMPCL is engaged in manufacturing and supplying standardised Ayurvedic and Unani Medicines. The Cabinet Committee on Economic Affairs (CCEA) had granted "in-principle" approval in November 2017 for the strategic disinvestment of the entire equity shareholding of IMPCL to a strategic buyer to be identified through a two-stage bidding process.

The strategic sale of IMPCL to Skymap Pharmaceuticals was approved by Alternative Mechanism, which is a Group of Ministers empowered by the CCEA and comprises of Minister for Road Transport and Highways, Finance Minister and Minister of State (Independent Charge) for Ministry of Ayush, the ministry added.

The transaction was implemented through a two-stage open, competitive bidding process supported by a multi-layered consultative decision-making mechanism involving an inter-ministerial group, a core group of secretaries on disinvestment, and the empowered alternative mechanism, it added.

"The Letter of Award has been issued to the successful bidder. Secretary, DIPAM and Secretary, AYUSH have been authorised to complete and close the transaction as early as possible," the ministry added.

Park Medi World to acquire Medicity Hospital in Rudrapur, enter Uttarakhand

Hospital chain Park Medi World Ltd said it will acquire 100 per cent of the outstanding shareholding of The Medicity Hospital, Rudrapur,

in an all-cash transaction valued at Rs 177 crore.

The acquisition marks Park Group's entry into Uttarakhand, expanding its presence into a sixth state.

The Medicity Hospital, Rudrapur, is multi-super speciality healthcare institution with a 330-bed capacity.

"This acquisition is consistent with the company's growth strategy, which seeks to maximise operational synergies and achieve economies of scale through strategic deployment of assets in high-potential, underserved markets," Park Medi World stated.

Dr Ankit Gupta, Managing Director, Park Medi World Limited, said, "This acquisition marks a significant milestone in our strategic journey to build a world-class, pan-North India healthcare network".

Premier Energies promoters divest 5.3% stake

Promoters of Premier Energies, a renewable energy firm, offloaded 5.3 per cent stake in the company for ₹2,413 crore.

According to exchange data, promoter group entities and family members — including Surenderpal Singh Saluja, Manjeet Kaur Saluja, Jasveen Kaur Saluja, and Charandeep Singh Saluja — sold shares at ₹955 apiece.

Among the buyers were Quant Mutual Fund, Nomura India Investment Fund Mother Fund, Smallcap World Fund, Edelweiss Mutual Fund, and Beekeeper Capital.

LIC raises stake in Central Bank of India to over 6% amid government OFS move

State-owned insurer Life Insurance Corporation of India has increased its stake in Central Bank of India to 6.06% from 3.16% earlier, following a fresh market purchase of shares.

In an exchange filing, the Central Bank of India said LIC acquired 26.26 crore equity shares, representing 2.901% stake in the public sector lender, through market purchases on May 22. Following the acquisition, LIC's shareholding in the bank rose to 6.06%.

As per the latest shareholding pattern, the promoter group held a dominant 89.27% stake in the company. Insurance companies owned 3.26%, while banks held 1.20%. Foreign portfolio investors (FPIs) accounted for 0.75% shareholding in the company.

Government exercises oversubscription option in OFS

Separately, the Central Bank of India also announced further developments regarding the government's ongoing offer for sale (OFS) in the bank.

Referring to its earlier disclosure dated May 21, 2026, the bank said the President of India, acting through the Department of Financial Services under the Ministry of Finance, had informed the stock exchanges about the decision to exercise the oversubscription option in the OFS.

Under the original base offer, the government had proposed to sell up to 36,20,56,051 equity shares, representing 4% of the bank's total paid-up equity share capital. The OFS opened on May 22 for non-retail investors and will open on May 25 for retail investors, employees and non-retail investors carrying forward unallotted bids from T-day.

The government had also retained an option to additionally sell another 36,20,56,051 equity shares, equivalent to 4% of the bank's total paid-up equity share capital, under the oversubscription option.

The bank said the government has now decided to fully exercise the oversubscription option. Accordingly, the total OFS size has increased to up to 72,41,12,102 equity shares, representing 8% of the bank's total paid-up equity share capital.

Out of the total offer size, 7,24,11,212 equity shares, or 10%

Dalmia Bharat buys Jaiprakash cement assets from Adani for Rs 2,850 crore

of the offer, will be reserved for retail investors on May 25, subject to valid bids. Additionally, 75,00,000 equity shares, equivalent to nearly 0.1% of the bank's total issued and paid-up equity share capital, will be offered to eligible employees as part of the issue.

Adani, GMR among shortlisted bidders for \$400 million IntelliSmart deal

India's leading smart meter platform IntelliSmart Infrastructure has entered the final leg of its sale process, with an Adani Group entity in the four-bidder shortlist for the next round of negotiations, multiple people aware of the development told ET. The proposed transaction is expected to value IntelliSmart at an equity valuation of around \$400 million (₹3,700 crore).

Founded in 2019, IntelliSmart has secured orders for nearly 22 million smart meters from state utilities across India. Of these, the company has installed around 600,000 smart meters in Assam and about 500,000 in Uttar Pradesh. NIF holds a 51% stake in IntelliSmart, while EESL owns the remaining 49%. EESL-a joint venture of NTPC, Power Finance Corporation, Rural Electrification Corporation and Power Grid Corporation of India-had outstanding long-term borrowings of ₹6,045 crore as of March 31, 2025, compared with ₹7,070 crore a year earlier.

Adani Energy Solutions, India's leading private-sector transmission, distribution and smart metering company, recently said it has completed cumulative installations of 11.36 million smart meters. Its under-implementation pipeline stands at 24.6 million smart meters across 10 projects, with a revenue potential exceeding ₹29,500 crore.

As India's leading advanced metering infrastructure service provider (AMISP), Adani Energy Solutions has a mandate to deploy 25 million smart meters across five states.

Dalmia Bharat said it is acquiring the cement business of Jaiprakash Associates from the Adani Group for an enterprise value of ₹2,850 crore.

The cement-maker will acquire 5.2 million tonnes of cement capacity and 3.3 million tonnes of clinker capacity based in Madhya Pradesh and Uttar Pradesh, adding to its 49.5-million tonnes production capacity as the fourth-largest producer of cement in the country.

The company is also in the midst of capacity expansion at Belgaum, Pune and Kadapa, and along with the acquired units at Rewa, Churk, Chunar and Sadwa, will have a total production capacity of 66.7 million tonnes by the December quarter of FY28.

As a part of the deal, Dalmia Bharat will also get 99 MW of thermal power capacity, railway siding at Rewa and Chunar, along with a common railway siding at Churk.

The transaction is likely to be completed within two weeks.

"This serves as a great strategic fit for Dalmia," Puneet Dalmia, managing director of Dalmia Bharat said. "It helps us move forward in our journey to be a pan-India player and provide a strong head start to serve the high potential markets in central region. I am optimistic that the expansion potential of these assets, along with close proximity with Dalmia's captive mines, will help us create a capacity hub for the future."

In 2022, Dalmia Bharat was in an agreement with Jaiprakash Associates for its cement assets, but Jaiprakash Associates was admitted to insolvency before the deal could be completed. After the Adani Group won Jaiprakash Associates under the insolvency route, Dalmia Bharat executed a fresh business transfer agreement for the cement business.

"Considering newer markets, relatively better prices and Dalmia's proven cost leadership, these assets would augment Ebitda delivery and enhance overall returns for

the company," the company said in a statement.

The Adani Group—one of the largest infrastructure-focused conglomerates in the country—has a cement business of its own.

Adani Cement, which is the second-largest producer of cement in the country, recently toned down its growth ambitions and said it will instead focus on ramping up utilisation and rationalising its existing capacities, while calibrating its capital expenditure.

CCI approves stake purchase in Burger King India operator by Lenexis consortium

Competition Commission of India approved the acquisition of a partial ownership in Restaurant Brands Asia Ltd, the operator of Burger King outlets in India, by a consortium led by Lenexis Foodworks Pvt Ltd.

The proposed acquisition involves the buying of a certain stake in Restaurant Brands Asia through various steps, including equity subscriptions, warrant subscriptions, equity purchases and an open offer, the competition watchdog said.

Apart from Lenexis Foodworks Pvt Ltd (LFPL), the consortium includes Inspira Foodworks Pvt Ltd (IFPL), Aayush Agrawal Trust (AAT), Inspira Agro Trading LLC (IATL) and Aayush Madhusudan Agrawal (AMA).

"CCI approves the acquisition of a certain stake of Restaurant Brands Asia Limited by Lenexis Foodworks Pvt Ltd, Aayush Agrawal Trust, Inspira Foodworks Private Limited, Aayush Madhusudan Agrawal and Inspira Agro Trading LLC," the regulator said in a post on X.

Restaurant Brands Asia is the national master franchisee of the Burger King brand in India and holds exclusive rights to develop, operate, and franchise 'Burger King' restaurants across the country.

LFPL is engaged in the quick service restaurant business and operates outlets pan-India under the brands Chinese WOK, The Momo Co and Big Bowl Co.

IFPL is proposed to serve as a strategic investment and operating vehicle, focusing on the expansion of the existing QSR business of LFPL.

AAT is a discretionary private trust. It is the primary investment vehicle for Aayush Madhusudan Agrawal and his family, while IATL is engaged in trading cardamom in the United Arab Emirates.

Deals beyond a certain threshold require approval from the regulator, which monitors unfair business practices and promotes fair competition in the marketplace.

Adani Power inks deals to buy Jaiprakash Power stake, Churk assets for over Rs 4,193 crore total

Adani Power said it has entered into definitive agreements with Jaiprakash Associates Ltd (JAL) to acquire a 24% stake in Jaiprakash Power Ventures Ltd (JPVL) and the 180 MW Churk thermal power plant in Uttar Pradesh, as part of the NCLT-approved resolution plan for JAL.

The company said it has signed a Share Purchase Agreement for acquiring JAL's 24% stake in JPVL for about Rs 2,993.6 crore. It has also entered into a Business Transfer Agreement to acquire the Churk thermal power plant and related assets, including JAL's 11.49% stake in Prayagraj Power Generation Company Ltd, for Rs 1,200 crore.

The acquisitions will strengthen Adani Power's generation portfolio and deepen its presence in the thermal power sector, while also enabling it to gain strategic exposure to JPVL's diversified energy and mining assets. The deal forms part of the broader Adani Group-led resolution plan for debt-ridden JAL and aligns with Adani Power's core business of power generation.

Earlier this year, the NCLT approved the Adani Group's Rs 14,535 crore resolution plan for Jaiprakash Associates after it secured majority lender support, while lenders rejected a higher rival bid from Vedanta.

Adani Power said the acquisitions will be completed in cash and are expected to be consummated on the "Effective Date" under the approved resolution plan, which is to occur within 90 days from the NCLT approval granted on March 17, 2026.

The company added that the Competition Commission of India had already approved the transaction in August 2025, while the National Company Law Appellate Tribunal upheld the resolution plan in May 2026.

JPVL operates thermal and hydro power assets with an aggregate capacity of 2,220 MW and also has interests in coal mining, sand mining and cement grinding businesses. The company reported turnover of Rs 57,063 crore in FY25, compared with Rs 71,510 crore in FY24.

The Churk asset comprises a 180 MW thermal power plant located in Sonbhadra district of Uttar Pradesh.

OfBusiness lending arm Oxyzo to acquire GoldenPi Tech, enter retail fixed income market

Gurugram-based lending company Oxyzo Financial Services is looking to acquire Rainmatter-backed GoldenPi Technologies, an

online bond distribution platform, the company said in a note on May 19.

Oxyzo is the financial arm of B2B ecommerce unicorn startup OfBusiness.

Through the acquisition, Oxyzo, which is primarily focused on small and medium enterprise lending, will get an opportunity to enter the larger wealth management and fixed-income investment space.

In its note, Oxyzo said that it has assets under management (AUM) of Rs 10,700 crore and had launched a private credit fund in March.

"This will enable us to significantly enhance our fixed income offerings and capture a larger share of the fast-growing debt investment market. We believe the unified enterprise, with the right focus and investment, is perfectly positioned to create substantial value for all stakeholders," said Anuj Sharma, business head, fixed income, at Oxyzo Financial Services.

Founded in 2017 by Abhijit Roy and Samir Baran Pratihar, GoldenPi has raised \$3 million since inception and counts Zerodha's venture fund Rainmatter, Sankhya Financial Services and others as its investors.

GoldenPi enables retail investors to invest in fixed-income debt instruments such as listed corporate bonds, government bonds, fixed deposits, and non-convertible debenture (NCD) IPOs — asset classes that were largely limited to institutional investors earlier.

The company operates as a Sebi-registered Online Bond Platform and has built a base of 16 lakh users, who have cumulatively invested Rs 6,000 crore through the platform since inception.

Empire Strikes again Sun Pharma and Organon Strategic Merger Genesis

Haresh Shah



“Sun Pharma's \$12 billion all-cash acquisition of Organon represents one of India's largest global takeovers”

Sun Pharmaceutical Industries Ltd. announced a \$12 billion deal that could be the biggest test yet in the company's long-brewing bid to transform into an international giant. The company agreed to acquire New Jersey-based Organon & Co. in an all-cash deal that marks one of India's largest global takeovers and challenges Shanghvi to merge a large, complex business.

Sun Pharmaceutical Industries Ltd (Sun Pharma or Acquirer) is engaged in the business of manufacturing, developing and marketing a wide range of branded and generic formulations and Active Pharma Ingredients (APIs). The company and its subsidiaries have various manufacturing facilities spread across the world with trading and other incidental and related activities extending to global market. It is the largest pharmaceutical company in India.

Organon & Co. (Organon or Target) develops and delivers women health solutions through prescription therapies and medical devices in the United States, Europe, Canada, Japan, rest of the Asia Pacific, China, Latin America, the Middle East, Russia, Africa, and internationally. Organon & Co. was founded in 1923 and is headquartered in Jersey City, New Jersey. It brings a commercial presence in 140 countries, \$800 million in China revenue, and a biosimilars platform poised to benefit from \$320 billion in biologics losing patent protection by 2035.

Sun Pharma is planning to raise as much as \$3 billion to \$4 billion in offshore loans, adding that the deal is expected to get necessary approvals by December 2026.

The final funding could be a combination of all - options, bonds, debt swap etc.

The discussions highlight the scale of the deal, which would rank among the largest outbound acquisitions by an Indian drugmaker and aims to secure funding while preserving Sun Pharma's credit profile.

At least three banks — Mitsubishi UFJ Financial Group Inc., JPMorgan Chase & Co. and Citigroup Inc. — committed to providing initial funding through a bridge facility. Sun Pharma said it would use \$2 billion to \$2.5 billion from its cash reserves to help fund the acquisition.

Strategic Rationale and Synergy

Sun Pharma's acquisition of Organon is described as a transformative opportunity intended to accelerate its evolution into a leading global pharmaceutical company.

The strategic reasons for the acquisition are centered on the following key areas:

1. Global Scale and Leadership

The merger is expected to propel Sun Pharma into the top 25 global pharmaceutical companies, with combined revenues reaching approximately \$12.4 billion. The combined entity will have a presence in over 150 markets, with 18 of those markets generating more than \$100 million in annual revenue.

2. Strengthening Therapeutic Areas

❖ **Women's Health:** This acquisition adds Women's Health as a new core pillar for Sun Pharma. Organon holds a leading global position in this segment, ranking number two in contraception and number three in fertility.

❖ **Innovative Medicines:** The deal significantly boosts Sun's innovation profile. Revenue from innovative medicines is projected to rise from 20% of Sun's current sales to 27% of the combined company's revenue.

❖ **Biosimilars Platform:** The acquisition marks Sun's major entry into the biosimilars market, positioning it as the 7th largest player globally with a portfolio of products like Hadlima and Renflex.

3. Geographic Expansion and Platforms

❖ **China Market Scale:** Organon provides a scaled platform for expansion in China, where it already has over \$800 million in sales and eight large brands. This offers Sun a vehicle to launch its own innovative products in the world's second-largest pharma market.

❖ **Europe and Emerging Markets:** The acquisition adds or significantly scales Sun's presence in several advanced and emerging markets, including Europe, South Korea, Mexico, and Thailand.

❖ **Commercial Front-End:** Sun will leverage a combined commercial team of 24,000 people, enhancing its ability to promote products directly to healthcare providers globally.

PREVIOUS M&A TRANSACTIONS



4. Financial and Operational Synergies

◆ **Cost and Sales Synergies:**

Management expects to realize approximately \$350 million in cost synergies over the next two to four years through procurement, supply chain, and network optimization. Additionally, Sun sees significant "sales synergy" opportunities by cross-pollinating products, such as selling Sun's complex generics through Organon's retail network in Europe.

◆ **In-Licensing Partner of Choice:** By combining their global reach and commercial infrastructure, Sun Pharma aims to become a "partner of choice" for other biotech companies looking to license and launch new products across multiple geographies.

◆ **Cash Flow and Deleveraging:** The combined entity is expected to generate \$2 billion to \$2.5 billion in annual free cash flow, which Sun intends to use to rapidly pay down the debt taken to fund the \$11.75 billion acquisition.

5. Leveraging Talent and R&D

Sun plans to leverage Organon's 100-year legacy in developing complex products, specifically their expertise in long-acting technologies like the Nexplanon contraceptive implant, which can potentially be applied to other chronic disease treatments.

Sun Pharma's Strategic Expansion into the Chinese Pharmaceutical Market

The acquisition of Organon provides Sun Pharma with a scaled platform to expand into China, which is currently the world's second-largest pharmaceutical market valued at over \$150 billion and growing at 5–7%. Prior to this deal, Sun Pharma had an almost negligible presence in this critical geography.

The China platform is expected to drive Sun Pharma's growth in the following specific ways:

◆ **Immediate Scale and Market Entry:**

Organon brings an established infrastructure in China with over \$800 million in annual revenue and a portfolio of eight large brands. This immediate scale allows Sun to become a meaningful global player with a more diversified geographic footprint.

◆ **Commercial Vehicle for Sun's**

Innovative Products: Sun currently out-licenses its innovative medicines to partners in China. Post-acquisition, Sun intends to use Organon's existing commercial engine and field force to directly launch and promote its own specialty and innovative portfolio, allowing it to capture more value from its pipeline.

◆ **Rejuvenating Established Brands:**

Sun plans to apply its "branded generic playbook" to Organon's established products in China. Management noted that even with 20–30 generics competing against them, Organon's brands have maintained 20–30% market share and premium pricing, indicating strong brand equity that Sun believes it can further leverage through better execution and line extensions.

◆ **In-licensing and Innovation**

Opportunities: With over 2,000 innovative products currently in development in China, Sun views the platform as an opportunity to tap into local innovation. The company intends to use its presence in China to in-license products not only for the local market but also for global distribution.

◆ **Financial Stability through VBP:**

Management indicated that the majority of Organon's established product portfolio in China has already undergone Volume Based Procurement (VBP). This means the significant pricing pressures associated with these regulations are already factored into the current financial numbers, providing a stable baseline for future growth efforts.

While China offers significant upside, it also presents challenges; for example, recent changes to medical guidelines in China have impacted the volume of certain respiratory products like Singulair.

However, other areas, such as fertility, have shown modest growth in the region.

Sun Pharma and Organon: A Global Specialty Commercial Strategy

Sun Pharma intends to leverage Organon's extensive commercial infrastructure to transform its innovation business by directly launching and scaling its specialty products globally.

The keyways Sun Pharma will utilize this commercial force include:

◆ **Direct Commercialisation in New**

Markets: Sun Pharma currently out-licenses many of its innovative medicines in specific geographies, such as China, due to a lack of local infrastructure. Following the acquisition, Sun will use Organon's established commercial engine and field force to directly launch and promote its specialty portfolio, allowing the company to capture the full value of its pipeline rather than sharing it with partners.

◆ **Scaling Existing Products Globally:**

Sun intends to use Organon's presence in over 140 countries to scale up products that have not yet reached their global potential.

◆ **Becoming a "Partner of Choice":**

By combining their global reach, Sun Pharma aims to become the preferred partner for biotech companies looking to license and launch new innovative medicines. The combined commercial front-end team of 24,000 people provides the necessary scale to promote a large number of products directly to healthcare providers (HCPs) across multiple therapeutic areas.

Sun Pharma management emphasised that this strategy is about learning from Organon's strengths in establishing and maintaining brand equity, even for products that have lost exclusivity, and applying that expertise to their combined innovative portfolio.

Strategic Leverage and Risk in Sun Pharma's Organon Acquisition

◆ Sun Pharma's acquisition of Organon involves a significant shift from its historical low-debt or cash-positive status to a more leveraged position, carrying several strategic and financial risks. Deal terms (definitive agreement signed) are: \$14/share, equity value \$3.99bn, enterprise value \$11.75bn.

◆ The company plans to fund the **\$11.75 billion** - \$2–2.5 billion of its own cash and approximately \$9.25–9.75 billion in bank financing.

◆ Subject to **Organon shareholder and customary regulatory approvals**; the deal is expected to close in **~6–9 months**.

◆ The management has not clarified about Purchase Accounting and amortization. It was said that they will take a call once the acquisition is completed.

The key risks associated with this leverage include:

1. Financial Flexibility and Repayment Pressure

◆ **Rapid Deleveraging Requirement:** While management views the combined entity's 2.3x net debt/EBITDA ratio as safe, the deal's success depends on the company's ability to generate \$2 billion to \$2.5 billion in annual free cash flow to pay down the debt quickly.

◆ **Dividend Impact:** Executive Chairman Dilip Shanghvi noted that the significant debt is a concern and specifically mentioned that the company must clarify its position on future dividend payments, though internal calculations currently assume they will continue.

◆ **Limited Near-Term M&A:** Analysts raised concerns that the high leverage might limit Sun Pharma's ability to pursue further specialty or innovative acquisitions over the next two to three years while it focuses on consolidating Organon.

2. Integration and Operational Risks

◆ **Management Bandwidth:** The scale of the acquisition—requiring a dedicated Integration Management Office—will consume significant senior management time, potentially distracting from Sun's existing core business.

◆ **Cultural and Execution Challenges:** The success of the deal relies on Sun Pharma's ability to apply its "branded generic playbook" to Organon's stagnant established brands to revive growth. Management acknowledged that Organon currently has no growth, and failing to turn this around would impact the value of creation expected by shareholders.

3. Inherited Business Risks from Organon

By taking on Organon's debt and operations, Sun Pharma also inherits specific market risks that could impact the cash flow needed for debt repayment:

◆ **Pricing and Reimbursement Pressures:** Organon faces global pricing headwinds, including Volume Based Procurement (VBP) in China and competitive pricing reductions in the U.S. fertility and contraception markets.

◆ **Loss of Exclusivity (LOE):** Key products like Nexplanon face potential generic competition as patents expire (e.g., rod patents in 2027), which could lead to significant revenue declines if not offset by new launches.

◆ **Interest Rate Volatility:** Although Sun Pharma aims to leverage its higher credit rating to refinance Organon's existing \$8.5 billion gross debt at a lower cost, any adverse movement in global interest rates could increase financing charges.

Despite these risks, Sun Pharma management remains confident, citing their successful track record with previous large-scale acquisitions like **Taro** and **Ranbaxy** to justify the current leverage

◆ **Repayment Priority:** Sun Pharma's stated priority is to use its generated surplus cash flow to repay the acquisition of debt as early as possible.

◆ **Cash Flow Confidence:** The combined entity is expected to generate significant annual free cash flow (estimated at \$2 billion to \$2.5 billion), which management believes provides the financial strength to both service the debt and potentially maintain dividends.

Historically, Sun Pharma has operated as a low-debt or cash-positive company, making this shift to a leveraged position (approximately **2.3x net debt/EBITDA**) a significant change for the company's capital allocation strategy.

Sun Pharma and Organon: FY 2025 Pro-forma Financial Analysis

Based on the sources, the **consolidated pro-forma accounts for FY 2025** (combining Sun Pharma and Organon) highlight a significantly scaled global pharmaceutical entity with a diversified revenue base.

Key Financial Metrics (Pro-forma FY 2025)

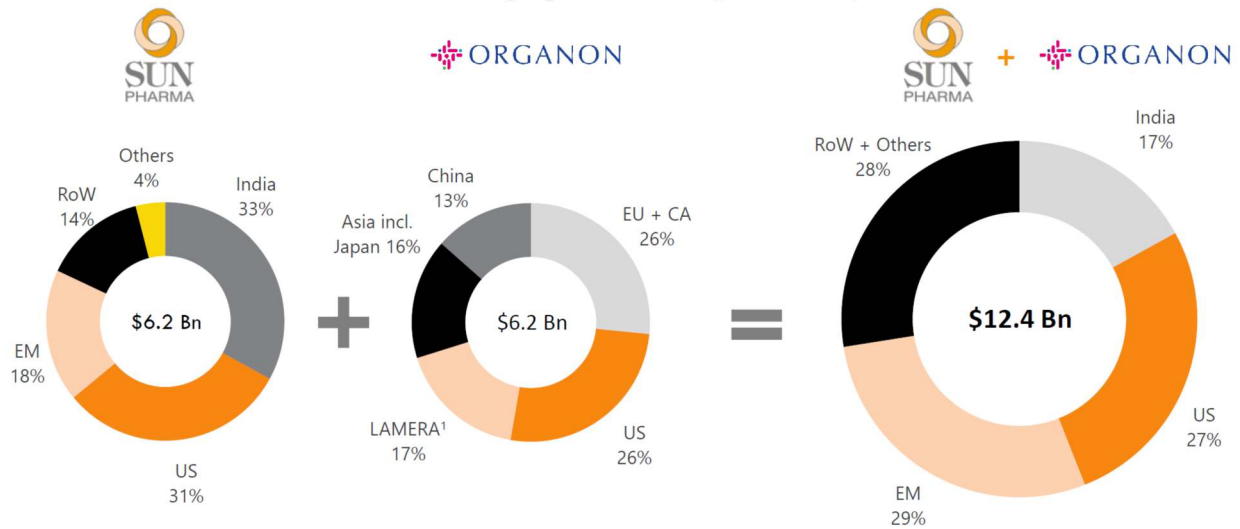
◆ **Total Revenue: \$12.4 billion.**

◆ **Combined EBITDA: \$3.7 billion** (based on \$1.8B from Sun and \$1.9B from Organon).

◆ **Free Cash Flow (before financing):**

“The merger establishes Women's Health as a core therapeutic pillar and provides a scaled commercial platform in China, allowing Sun Pharma to directly launch its innovative portfolio across more than 150 markets”

Geographical Reach (Pre & Post)

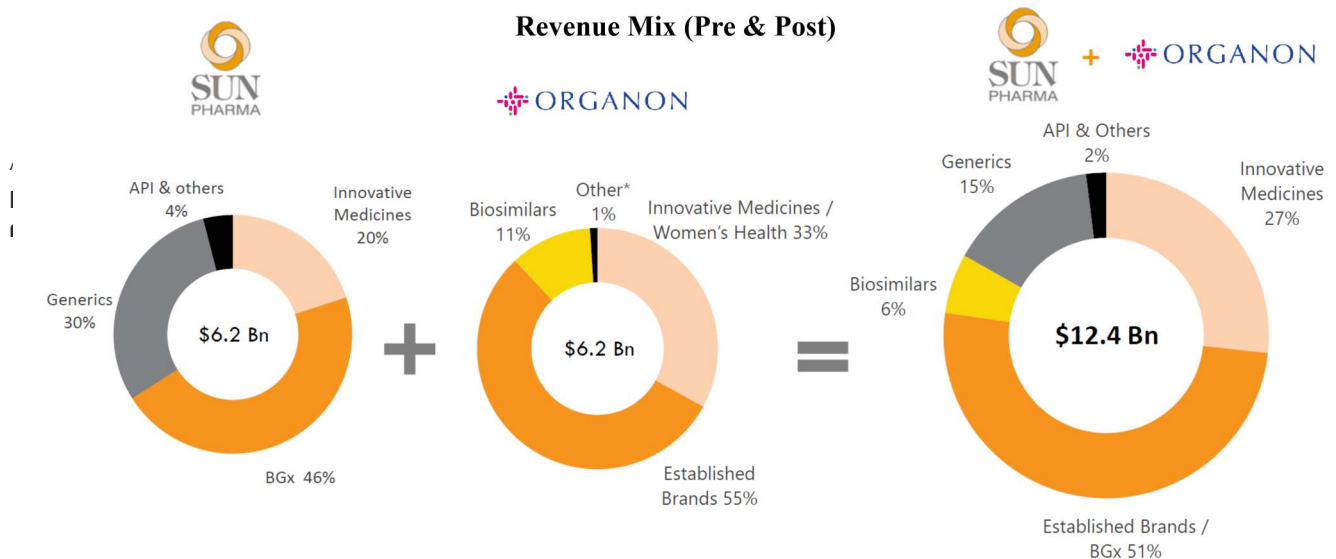


Notes: combined figures mean upon acquisition and successful consolidation.
 1. LAMERA – LATAM, Middle east, Russia, Africa
 Sun financials as per FY25; Organon financials as per CY25; INR/USD Exchange rates considered for FY25:84.5 INR/USD

Source: Company's Website and Announcement

20

Revenue Mix (Pre & Post)



Source: Company's Website and Announcement

Approximately **\$2.5 billion**.

➤ **Net Debt / EBITDA Ratio: 2.3x.**

➤ **Commercial Field Force: 24,000+** people globally.

The merger creates a balanced portfolio with a strong emphasis on established products and a growing innovation pillar. It shall also reduce its dependence on single markets like India and the US.

Management expects the transaction, once closed (estimated early 2027), to be EPS accretive from the first year. Additionally, the company aims to realize

\$350 million in cost synergies over the two to four years following integration

Core framing by Dilip Shanghvi: This deal resembles Ranbaxy in scale but not in quality of earnings. He compared:

➤ Ranbaxy: acquired a business “**80% size of Sun Pharma**” that was “**actually losing money**” with “**close to 20% dilution.**”

➤ Organon: acquiring a “**more or less same sized company, more or less same size of profitability**” for “**more or less 20%, 22%** of Sun Pharma's value.”

➤ Key delta: “**relative high level of growth for Sun and no growth for Organon,**” which Sun sees as the opportunity—grow Organon and “**correct**” its “**value depression**” for Sun shareholders.

The Sun Pharma-Organon Integration and Synergy Strategy

Sun Pharma expects to realize over \$350 million in cost synergies following its merger with Organon. Management

anticipates that these synergies will fully materialize over a period of two to four years post-integration.

These cost savings are expected to come from several key operational areas:

- ❖ **Procurement:** Consolidating purchasing power and streamlining vendor relationships.
- ❖ **Supply Chain and Manufacturing:** Optimizing the combined manufacturing network and enhancing supply chain efficiencies.
- ❖ **Workforce Integration:** Leveraging the expertise of talent across both companies and finding opportunities for teams to work together more effectively.
- ❖ **Operational DNA:** Applying Sun Pharma's established "DNA of lean, high-quality operations and cost leadership" to Organon's existing infrastructure.

While management is "excited" about potential **sales synergies**—such as cross-pollinating products across their combined global retail networks—they have not yet provided a specific dollar amount for revenue upside, focusing their initial \$350 million estimate purely on the cost front

The Organon deal renews questions over whether India Inc. can truly go global. A handful of wins including Tata Group's Jaguar Land Rover deal have been followed by costly stumbles such as Bharti Airtel Ltd.'s bet in Africa, and earlier Tata Steel acquisition of Corus leaving investors unsure whether Indian firms can scale like peers from Japan, China and South Korea.

Sun's immediate priority is to set up an integration management office to evaluate supply chains and align operations over the next six to nine months before taking any major strategic steps, Chief Financial Officer Jayashree Satagopan said in an interview. The biggest challenge will be combining the two businesses' staff and

work culture — potentially more so than even product portfolios and supply chains.

"It takes time and you have to continuously show to the other side that they are a part of this organization and can also contribute to growth," he said, adding the cross-culture assimilation is a must. Ganorkar, who has been involved in all of Sun Pharma's acquisitions, joined as an executive assistant to Shanghvi three decades ago and rose through the ranks to lead the business.

Further to deleverage faster, SUN may come out with right issue/QIP at appropriate valuation in NEAR FUTURE

If there is one consistent thread in Shanghvi's four-decade journey, it is patience. Shanghvi and his team are now readying for a long battle to merge, integrate, and bring Organon back to a flat-to-high growth trajectory. That may take another three-four-year, catapulting Sun Pharma into the big league of pharma firms.

The only Exclusive Magazine

On M&A and Joint Venture

CHOOSE YOUR PLAN

1) New Subscription Renewal

Annual Subscription - India - Rs. 1,000 + 18% GST = 1180 only - for all Digital Access to the portal for a year.



SUBSCRIPTION

M & A Critique Subscription Form

Mr./Mrs. _____

Address : _____

City : _____ Pin Code :

State : _____ Phone No. : _____

Mobile : E-mail ID : _____

I enclosed my Cheque No. _____ for ₹ _____
favouring 'HU Mergersindia.com Pvt. Ltd.'

Read M & A Critique Digital Issue on - www.mnacritique.com

Send this form - 1Floor, Matruchaya building,
Plot no 27 Mitramandal Colony,
Parvati Pune 411 009.

Telephone :- (020) 24425826

Email :- subscribe@mnacritique.com

Website :- www.mnacritique.com

Go for Digital issue



International Flavors and Fragrances to sell food ingredients unit in \$4.3 billion deal

M&A
Digest
www.mnacritique.com THE WHYS and THE HOWS

International Flavors & Fragrances agreed to sell its food ingredients business to CVC Capital Partners in a deal that values the unit at about \$4.3 billion, as the flavor maker trims its portfolio to boost profitability.

The flavor maker said it will now sharpen its focus on fragrances and health businesses, as consumer spending on health and wellness remains resilient.

The company said it has divested 13 non-core businesses over the last several years and raised about \$10 billion in gross proceeds to help reinvest in its higher-margin businesses.

IFF expects to receive about \$3.8 billion upon closing the sale of its food ingredients unit, and said the proceeds will be directed toward debt reduction, share buybacks and reinvestments.

The company also said it will retain a 10% stake in the business, which makes emulsifiers, sweeteners and pastes. It was IFF's largest unit by revenue as of December 31, 2025, according to its annual report.

"We believe the sale represents the major step in IFF's transformation journey," said Kristen Owen, analyst at Oppenheimer.

IFF's shares were up about 2%. The company has a market capitalization of about \$19.9 billion, according to LSEG data.

The company sold its pharma solutions business to French plant-based ingredients maker Roquette last year, in a deal valued at \$2.85 billion. It also sold its soy protein concentrates business to agribusiness company Bunge earlier this year.

Packaged food companies, which are major customers of IFF, are also streamlining businesses as shoppers trade down or opt for healthier alternatives. The growing adoption of appetite-suppressing weight-loss drugs is also changing food habits.

Frank's RedHot sauce maker McCormick agreed to merge with Hellmann's mayonnaise owner Unilever's food

business in April. Days later, Unilever said it would buy U.S.-based nutritional supplements brand Grüns.

The IFF deal is expected to close at the end of the second quarter of 2027.

Yum Brands in exclusive talks to sell Pizza Hut to LongRange Capital, source says

Yum Brands is in exclusive talks to sell its Pizza Hut chain to private-equity firm LongRange Capital, a source familiar with the matter said.

The two parties are advancing in discussions about a potential deal that could come together in several weeks, the source said, adding there is no guarantee a deal will be reached.

LongRange declined to comment on Reuters' request, while Yum Brands did not immediately respond.

The move comes when the fast-food industry is contending with sustained demand weakness, as growing adoption of GLP-1 weight-loss drugs encourages consumers to choose healthier foods.

The pressure has been compounded by rising inflation and a decline in consumer sentiment, which has forced diners to think twice before eating out and weighed on U.S. pizza giants already facing elevated commodity costs.

Last year, Yum said it was reviewing "strategic options," including a possible sale, for Pizza Hut as the unit struggles to keep pace with its other fast-casual dining brands, including Taco Bell.

U.S. comparable sales at Pizza Hut, which contributed 12% to Yum's total revenue in 2025, have declined for 10 straight quarters.

Reuters reported in April that along with LongRange, Sycamore Partners and Apollo Global Management, among others, were vying for the chain.

Shares of Yum Brands, which also owns KFC, were up about 3% in extended trading. Bloomberg News first reported the development earlier in the day.

The U.S. restaurant industry is witnessing a dealmaking trend wherein several small chains have left the public market, including Denny's, Potbelly, California Pizza Kitchen, amid mounting input costs and deteriorating dining-out demand.

Papa John's International has also been looking to sell its business. Investment firm Irtb Capital Management was working with the pizza chain's largest U.S. franchisee to take it private, Reuters reported this month.

Universal Music Group declines Bill Ackman takeover proposal

Universal Music Group's board unanimously rejected an unsolicited takeover proposal from Bill Ackman's Pershing Square Capital Management, saying it was not in the best interests of shareholders, artists, or the company.

The board said it took time to review Pershing Square's proposal, and found that it "materially undervalues" the music company and would not fuel its growth. Universal's largest individual shareholder, Bollore, had urged the board to reject Ackman's offer.

Pershing Square declined comment on the board's decision.

In April, Pershing Square proposed a cash-and-stock offer through its acquisition vehicle, valuing Universal Music at around €30.40 per share and making the deal worth €55.75 billion (\$65.03 billion), according to Reuters calculations.

Even as the music industry is flourishing, Universal Music Group's share price has lagged, something Ackman said his proposed deal would fix.

Universal Music Group — the company behind international superstars including Taylor Swift, Billie Eilish and Kendrick Lamar — initiated a

stock buyback program, announced it would sell half its stake in the Spotify SPOT.N music service, and said it would enhance its financial disclosure, so investors could better understand its business.

The company is expected to move its listing to New York from Amsterdam, paving the way for more investors, including index funds, to own the company and ultimately lead to more robust earnings and a higher valuation.

Ackman initially pursued Universal Music Group in 2021 in a deal through a shell corporation designed to take a private company public, but dropped it after U.S. regulatory scrutiny. Pershing Square instead became a major UMG investor, and Ackman served on its board until last year.

"UMG has built an unrivaled position in the music industry through clear vision and strong execution," Universal Music Group board Chairman Sherry Lansing said in a statement. "The Board has full confidence in Sir Lucian and his team's ability to deliver sustainable growth and continued value creation for all stakeholders."

Activist Voss Capital urges Sempra to spin off Texas electricity unit Oncor, letter says

Activist investor Voss Capital has urged Sempra to spin off its Oncor electricity unit, creating a high-growth Texas-focused utility unencumbered by

the \$60 billion energy giant's predominant California business, according to sources familiar with the matter and a letter seen by Reuters.

The Houston-based hedge fund, which owns roughly 2 million shares, or less than 1%, of Sempra, argues that a newly independent Oncor Electric Delivery Company would be the highest-growth public transmission utility in the U.S., and could be worth as much as \$78 billion by the end of 2028. Since Sempra controls around 80% of Oncor, its stake in the spinoff would be worth more than Sempra's current market value as a combined company, Voss said in the letter to its investors.

It would make it easier for investors to understand Sempra, which Voss said is now unnecessarily complicated because it has three distinct businesses: its Southern California utility operations, Texas-based Oncor, and Sempra Infrastructure, which develops liquefied natural gas export facilities.

Voss' faith in separating Oncor is supported by the fact that much of its capital spending for the coming years is on projects that have already been approved by regulators, and that serve broad economic growth. The Texas utility also would not have any exposure to the wildfires that have devastated parts of California over the last decade and depressed the valuations of utilities operating in the state.

Investors have broadly wanted companies to separate these types of risks, industry analysts said, so others may back Voss Capital's position.

Oncor did not have immediate comment. Sempra did not respond to a request for comment. Voss declined further comment beyond the letter.

Voss Capital is an activist hedge fund with roughly \$2 billion in capital that has become more vocal recently, industry analysts said. The fund has largely focused on the consumer products, industrial and technology, media and telecom sectors.

The hedge fund exerted forceful pressure on

manufacturing conglomerate Griffon Corp that led to a significant restructuring and portfolio overhaul. The stock price nearly quadrupled since the campaign began in 2021. Last month it reached a settlement with food service technology company PAR Technology for a one-year non-voting board observership.

Power and energy stocks have been attracting broader investor interest as artificial intelligence and industrial electrification drive energy demand.

Texas has one of the fastest-growing economies among U.S. states and is projecting significantly higher power needs in the coming years. The Electric Reliability Council of Texas, which manages much of Texas' electric grid, forecast last month that peak electricity demand would climb from about 98,087 megawatts in 2026 to about 111,318 megawatts by 2032.

Oncor distributes power to more than 4 million Texas homes and businesses across more than 144,000 miles of transmission lines, according to its website. Sempra bought its Oncor stake in 2018 for \$9.45 billion.

MPS, Banco BPM discussed merger after Lovaglio reappointed, Italian news agency says

Italy's Monte dei Paschi di Siena (MPS) and rival Banco BPM held talks about a long-mooted potential merger shortly after Luigi Lovaglio was reappointed as MPS CEO in April, Italian news agency Adnkronos reported.

A tie-up between the country's third and fourth-largest lenders has been considered a possibility for many years, with successive governments in Rome keen to build a third sizeable player in Italian banking, alongside UniCredit and Intesa Sanpaolo.

Fuelling expectations of a deal, Banco BPM invested in MPS in November 2024. The move triggered a takeover

AkzoNobel rejects €12.5 billion Nippon Paint, Sherwin- Williams takeover offer

attempt from UniCredit which tried, as a countermove, to acquire BPM, but failed.

The CEOs of BPM and MPS were both handed a new mandate in April.

BPM CEO Giuseppe Castagna said after his reappointment that MPS remained a merger possibility for his bank, but the timing could be an issue.

MPS last year bought Mediobanca and is working to complete the integration by the end of 2026. Lovaglio has repeatedly said MPS is focused on Mediobanca.

Citing financial sources, Adnkronos reported that there had been merger contacts after last month's annual general meeting at MPS.

Reuters could not verify the report.

Earlier, Corriere della Sera daily also said contacts had accelerated, adding BPM may hire Goldman Sachs as an adviser in addition to Lazard and Citi.

MPS' second-largest investor, billionaire Francesco Gaetano Caltagirone, who wanted to replace Lovaglio as CEO, warned this month about the terms of a possible BPM-MPS merger, saying MPS risked being "absorbed" by BPM.

France's Credit Agricole is the main shareholder in BPM, which in turn owns 3.7% of MPS.

BPM played an important role in swinging the balance in favour of Lovaglio at the April 15 shareholder vote to pick a new CEO, in a defeat for Caltagirone who voted against Lovaglio's reinstatement.

Dulux paint maker AkzoNobel struck down a €12.5 billion (\$14.6 billion) cash takeover offer from rivals Nippon Paint and Sherwin-Williams, sending its shares 20% higher. The offer price of €73 per share represented a premium of 39% to AkzoNobel's last closing price of €52.52 per share. The shares jumped to €63 by 1241 GMT, firmly on track for their best trading day since at least October 2008.

AkzoNobel said the non-binding proposal undervalued its business, lacked deal certainty regulatory clearances and would have split the company between the two suitors. The Dutch company's board continues to recommend the planned merger with U.S. coatings maker Axalta.

The planned merger, which shareholders are set to vote on in early July, would create a combined coatings company with an enterprise value of \$25 billion, led by AkzoNobel CEO Greg Poux-Guillaume. The deal is expected to close in late 2026 or early 2027.

The two parties have said the merged entity would deliver \$600 million in annual cost savings, most of them within the first three years.

DEAL OR NO DEAL?

Under the rejected proposal, Nippon Paint would have acquired AkzoNobel and retained its decorative paints and industrial coatings businesses, while selling its automotive, marine and powder coatings divisions to Sherwin-Williams.

Nippon Paint Group and Sherwin-Williams said in light of Akzo's decision, the two companies "were considering

Japan state-backed fund considering sale of chipmaking materials maker JSR, sources say

their next steps, if any," and added they believe their proposal offered significant strategic benefits to AkzoNobel's businesses.

The joint proposal did not include any financing conditions and is not subject to approval from Sherwin-Williams and Nippon Paint shareholders, the companies said.

"Neither proposal qualified as a 'potentially superior' offer, compared to the Axalta merger," an AkzoNobel spokesperson said.

AkzoNobel's comments seem to suggest the proposal was rejected due to its price, brokerage MKI said in a note to investors, while noting the consortium could have deliberately timed its approach for when the share price was low.

"The hint here is probably the consortium has more up its sleeve," MKI analysts wrote. AkzoNobel had rejected a similar offer by Pittsburgh-based PPG Industries in 2017.

A hostile approach would be complicated by AkzoNobel's stichting, a Dutch legal entity designed as an anti-takeover mechanism, which holds 48 priority shares worth 400 votes each.

AkzoNobel's stichting is firmly committed to the Axalta merger, so if shareholders were to terminate that deal, the stichting could block the takeover bid and leave the company with no deal at all, MKI explained.

Therefore, Nippon Paint and Sherwin-Williams would likely need to offer a very high price and deep commitments to sway the company's board to abandon the existing plan, the analysts said.

Bank of America is advising Nippon Paint Group financially, with A&O Shearman as legal counsel. Sherwin-Williams has appointed Citi as its financial adviser, while Weil, Gotshal & Manges LLP and Stibbe are acting as its legal advisers.

Japan Investment (JIC), a state-backed fund, is considering selling JSR, two people familiar with the matter said, two years after it took the maker of chipmaking materials private in a \$6 billion deal.

Fujifilm and Mitsubishi Chemical have expressed interest in acquiring the company, they added, declining to be identified as the information was not public.

Massive investments in AI have lifted the valuations of chip supply chain firms, and JIC - which had aimed to use JSR to drive industry consolidation in the materials sector - is now looking at taking advantage of those buoyant market conditions to sell, according to one of the people.

JIC, Fujifilm and Mitsubishi Chemical declined to comment. JSR did not respond to a request for comment.

Fujifilm's shares extended gains after publication of this report and finished 3% higher, while shares in Mitsubishi Chemical pared losses and closed flat.

JSR, established in 1957, is a leading manufacturer of photoresists which are used to transfer circuit patterns onto semiconductor wafers.

Fujifilm also makes photoresists, while Mitsubishi Chemical manufactures chemicals that go into photoresists.

At the time of its acquisition, JSR had that the go-private deal would free it from managing its foreign investor base and enable it to pursue acquisitions. But some in the industry questioned whether JSR could successfully clinch deals that would reshape the materials sector.

JSR's new CEO said last year he was focused on restoring the company's business performance and it was not ready to make acquisitions.

It logged a net profit of 60.7 billion yen (\$380 million) on 400.7 billion yen of revenue in the year ended March, returning to profitability after being pulled down by its life sciences business the year before.

Japan has numerous companies making niche but essential chipmaking materials and equipment, many of which have seen their valuations surge amid the AI boom.

Shares in photoresist maker Tokyo Ohka Kogyo, for example, have tripled over the past year, giving it a valuation of 1.4 trillion yen.

JIC, which is overseen by the trade ministry, was set up in 2018 to invest in companies with the goal of boosting Japan's competitiveness. It has also invested in medical equipment maker Topcon with private equity firm KKR.

CoStar nears \$800 million deal to buy Zonda in housing data push, sources say

CoStar Group, a commercial real estate data and listings company, is nearing a deal to acquire housing-market data provider Zonda for nearly \$800 million from private equity firm MidOcean Partners, according to two people familiar with the matter.

The acquisition would expand CoStar's residential data offering into new home construction, an area where Zonda tracks housing starts, land supply and builder activity, the sources said.

The deal is expected to be announced as early, the sources added.

CoStar and Zonda did not respond to requests for comment, while MidOcean Partners declined to comment.

CoStar, which has a market value of about \$13.2 billion, has shed roughly half of its market capitalization since the start of the year amid commercial real estate headwinds and concerns over residential investment spending, according to analysts.

Based in Washington, D.C., CoStar provides data, analytics and online marketplaces used by brokers, investors and lenders to track property listings, pricing and market trends. Zonda offers data, research and software focused on the U.S. housing market, particularly new home construction.

CoStar has expanded through acquisitions in recent years, including apartment listings site Apartments.com, commercial property marketplace LoopNet, hotel data firm STR, and residential portal Homes.com.

China's JD.com weighs £2 billion bid for UK retailer The Very Group: Report

Chinese ecommerce giant JD.com is eyeing a potential £2 billion (\$2.69 billion) bid for the British online shopping platform The Very Group, Sky News reported, in its latest push to expand in the UK market.

The move would follow JD.com's earlier UK efforts, including its failed takeover bid for electricals group Currys and its decision last year to walk away from talks to acquire Argos from Sainsbury's.

The Very Group declined to comment on the report, while JD.com did not immediately respond to a request.

Sky News reported in January that Carlyle, the owner of The Very, was planning a £2 billion sale of the company, just months after taking control of the British retailer.

Carlyle took control of the group last year, ending the Barclay family's long-standing involvement in the business.

China's SAIC to sell another 10% stake in Indian car venture to local partner JSW – sources

M&A Digest
www.mnacritique.com THE WHYS and THE HOWS

China's SAIC Motor will sell a further 10% stake in its Indian carmaking venture, JSW MG Motor, two sources with direct knowledge of the matter told Reuters, in a deal that will make local partner JSW the biggest shareholder of the unit.

The decision follows SAIC's struggles to bring in equity and expand its operations due to New Delhi's investment curbs, even after it trimmed its 100% ownership of the company and brought on domestic partners, including billionaire Sajjan Jindal's JSW Group.

SAIC currently owns a 49% stake in JSW MG Motor. The sources said it will sell a 10% stake to JSW, whose stake will then rise to 45% and make it the largest individual shareholder.

"Discussions are on, and JSW plans to close in a month. SAIC has agreed," said one of the sources.

The second source said the deal will give JSW greater operational control and oversight of the business. The sources spoke on condition of anonymity because they were not authorised to speak to media.

Gujarat Themis Biosyn jumps on acquisition of Japan-based MicroBiopharm

Gujarat Themis Biosyn surged 6.11% to Rs 391.40 after the company announced the acquisition of Japan-based MicroBiopharm Japan Co. (MBJ) for about JPY 21.5 billion, or nearly Rs 1,300 crore.

The company has signed a definitive agreement to acquire 100% equity stake in MBJ through a wholly owned special purpose vehicle to be incorporated in Japan. The transaction is expected to close in Q2 FY27, subject to regulatory approvals and customary closing conditions.

MBJ is engaged in fermentation-based research, development and manufacturing of pharmaceuticals,

specialty chemicals and CDMO services. The Japanese company has capabilities across oncology APIs, plasmid DNA manufacturing, ADC conjugation and biologics.

MBJ reported estimated revenue of JPY 9.5 billion, or around Rs 570 crore, for FY26. Around 40% of its revenue comes from overseas markets outside Japan.

Gujarat Themis said the acquisition marks a strategic step in its transition from a fermentation-led intermediates business to a technology-driven Contract Development and Manufacturing Organisation (CDMO) platform focused on precision fermentation and next-generation drug manufacturing.

The company added that the deal will provide access to MBJs proprietary technologies, global customer relationships and regulated manufacturing infrastructure. Two of MBJs three manufacturing facilities in Japan have undergone audits by the US FDA and Japans PMDA.

The acquisition is proposed to be funded through a mix of debt and equity and is expected to be earnings accretive.

Gujarat Themis Biosyn is a pharmaceutical company engaged in the development, manufacturing and marketing of fermentation-based pharmaceutical intermediates and APIs across key therapeutic segments in India. The company specializes in fermentation-based product development and continues to expand its presence across the Indian and global markets with a focus on building an integrated and scalable pharmaceutical platform.

Hexaware to buy UK consulting company CPS in Rs 140 crore deal

Hexaware Technologies has signed an agreement to acquire the UK- and the UAE-based consulting firm Consulting Professionals Services Holdings

Limited (CPS) in a deal valued at up to £11 million (about Rs 140 crore), as the IT services company looks to strengthen its presence in cloud and AI-led transformation projects for large global clients.

The Mumbai-headquartered company said the acquisition, to be carried out through its wholly owned subsidiary Hexaware Technologies UK Ltd, is expected to close within two weeks. The deal includes an upfront payment of £6 million, while another £5 million is linked to financial performance targets.

CPS provides consulting services in areas such as regulatory compliance, technology infrastructure, governance, risk management and business transformation. The company primarily operates in the UK and the UAE and works with a FTSE 100 client with whom Hexaware Technologies has an existing relationship.

The buyout is Hexaware Technologies' first purchase since it bought CyberSolve in November last year.

The acquisition is expected to drive Hexaware Technologies closer to its ambition to be a trusted AI and cloud transformation partner to leading financial institutions and blue-chip organisations, from consulting and advisory to implementation and operations, the company said in its stock exchange filings.

CPS reported an annual revenue of £11.74 million for 2025-26, a marginal increase from £11.60 million in the previous financial year.

“Our customers are increasingly looking for partners who bring trusted advisory and execution excellence. CPS brings a strong consulting capability which aligns with our purpose of creating smiles by delivering business value,” said Parameshwaran Iyer, country head – UK & Ireland at Hexaware Technologies.

Amjad Riaz, managing partner at CPS, said, “Having worked extensively in the financial services and market infrastructure sectors for a number of years, we believe

this transaction will enable us to deliver greater value to our clients, drawing on the wider capabilities of Hexaware.”

LTM proposes to acquire Randstad's technology and consulting biz in Europe and Australia

LTM and Randstad announced that LTM has issued an offer to acquire Randstad's Technology and Consulting Services business in France, Germany, Belgium, Luxembourg and Australia, representing USD 500+ million (469M) in annual revenue, to scale domain-driven solutions and AI services in the region.

The proposed acquisition would expand LTM's presence in key markets, primarily across Aerospace & Defence, Automotive, Utilities and BFS. It would enable local domain expertise and complementary regional capabilities in domain-driven digital engineering, cybersecurity and IoT, supported by onshore and nearshore delivery through centers in Romania and Portugal.

This would create a more diversified portfolio for LTM - expanding its scale in Europe and Australia, enhancing its position in regulated and high-growth verticals through marquee customer relationships.

The deal would augment LTM's global AI-centric capabilities with local domain and near-shore expertise crucial for delivering digital and AI transformation for customers in a sovereign compliant and scalable model. It would reinforce LTM's global delivery foundation through expanded regional presence.

The proposed acquisition is part of a 360 collaboration including a five-year IT services partnership to drive AI-enabled transformation for Randstad's India Global

Capability Center, and a strategic talent MSP to support LTM's expanding global workforce.

CCI okays Blackstone, other investors' proposal to acquire stake in AI firm Neysa Networks

Fair trade regulator CCI approved a proposal of Blackstone-backed PE funds and other investors to acquire a stake in AI acceleration cloud provider Neysa Networks.

The development came after Neysa, in February this year, announced that private equity funds affiliated with Blackstone and co-investors have entered into definitive agreements to invest in the company, enabling a \$1.2 billion capital raise.

The Competition Commission of India (CCI) said it has cleared the proposed deal.

"CCI approves the acquisition of certain shareholding in Neysa Networks Private Limited by BCP Asia II Topco V Pte. Ltd, Asia II Topco XIV Pte. Ltd, and other investors," the competition watchdog said in a post on X.

Other equity investors in the transaction include Teachers' Venture Growth, TVS Capital, 360 ONE Assets, and Nexus Ventures.

Blackstone is the world's largest alternative asset manager with USD 1.3 trillion in assets under management, including global investment strategies focused on real estate, private equity, credit, infrastructure, and hedge funds, etc.

Mumbai-based Neysa enables enterprises, startups, and public sector organisations to discover, deploy, and scale AI workloads securely and cost-effectively.

In February this year, Blackstone and co-investors

provided equity capital of up to USD 600 million, based on which Neysa intends to secure an additional \$600 million of debt financing, subject to documentation.

Following the funding, Neysa became a unicorn, crossing a \$1 billion valuation.

This funding provides a material impetus to Neysa's planned scale-up and deployment of over 20,000 GPUs in India, helping to enable the country's AI revolution, the company said.

In a separate release, CCI granted its nod to Cube Highways Trust for the proposed acquisition of Baharampore - Farakka Highways Ltd, Devanahalli Tollway Pvt Ltd, Western MP Infrastructure and Toll Roads Pvt Ltd and Chenani Nashri Tunnelway Ltd.

Cube Trust is a Sebi-registered infrastructure investment trust, while Baharampore - Farakka Highways Ltd, Devanahalli Tollway Pvt Ltd, Western MP Infrastructure and Toll Roads Pvt Ltd and Chenani Nashri Tunnelway Ltd are engaged in the business of operating (through governmental concessions) roads and highways in India.

Deals beyond a certain threshold require approval from the regulator, which monitors unfair business practices and promotes fair competition in the marketplace.

Hearzap to acquire Amplifon India, expand network to 420 hearing care centres

Hearzap, a hearing care services provider, has signed an agreement to acquire Amplifon India, the Indian arm of Italian hearing care retailer Amplifon, as it looks to expand its footprint across the country.

The deal, backed by Hearzap's investor 360 ONE Asset Management, will add around 240 Amplifon India points of sale to Hearzap's existing network. Following the

acquisition, the combined entity is expected to operate around 420 hearing care centres across India, supported by more than 1,000 service providers, said the company in a statement.

Amplifon India generates annual revenue of around Rs 120 crore and has nearly 460 service providers, according to the company. Post integration, the combined business is expected to cross Rs 230 crore in topline revenue, the statement said.

“This is a defining moment for all of us at Hearzap,” said S Raja, founder of Hearzap in the statement. “As we bring together the strengths of both organisations, we look forward to shaping the future of hearing care in India with compassion, excellence, and a shared sense of purpose.”

He added that the company plans to invest further in audiology talent, customer engagement, and technology-led hearing care services.

Hearzap said the acquisition will strengthen its position in India's organised hearing care market by combining its technology-enabled platform with Amplifon India's clinical expertise and established customer base.

The company is targeting revenue of around Rs 250 crore by the end of the current financial year and aims to scale to nearly Rs 500 crore by financial year (FY) 2029. It also expects its network footprint to approach 500 hearing care centres by 2027.

Amplifon, headquartered in Milan, operates hearing care centres across more than 25 countries globally.

PE firm Advent invests \$150 million for minority stake in Iscon Balaji Foods

Global private equity firm Advent International will invest \$150 million for a significant minority stake in Iscon Balaji Foods (IBF) Pvt Ltd, one of India's largest potato processors, the companies said in a statement.

The investment confirms Mint's March newsbreak and forms part of a larger \$215 million round that also saw participation from 360 ONE.

Advent's capital will help accelerate IBF's next phase of growth across domestic and international markets, while strengthening its operating platform and product capabilities.

The deal underscores rising private equity appetite for India's fast-scaling frozen foods and quick-service restaurant (QSR) supply chain ecosystem. IBF operates in the \$60 billion global frozen potato products market, a segment benefiting from expanding QSR chains, rising processed food consumption and export demand.

Investor rationale

“IBF stands apart for the rigour of its execution, the institutional maturity of its platform, and a track record of consistent, profitable growth across market cycles,” said Shweta Jalan, managing partner at Advent.

“India is one of the most compelling growth stories in global food processing, and Iscon Balaji Foods sits at the heart of that opportunity,” the investment firm's managing director Sahil Dalal, said, adding that the combination of structural cost advantages, a rapidly expanding export footprint and disciplined execution, makes this a distinctive partnership.

The development follows 360 ONE's earlier announcement of a \$70 million investment plan in the company, that also exports potato products.

Expansion plans

The fresh capital will be used towards IBF's next phase of growth, including significant capacity expansion, deepening of farmer-linked supply chains, upgrading processing and cold-chain infrastructure, launch of new value-added product lines, and expansion into additional international markets, the company said at the time.

Founded in 2012, Gujarat-based IBF manufactures a broad range of frozen potato products, including french

fries, hash browns, coated fries, and other specialty products. The company has established itself as one of the highest quality producers of processed frozen potato products globally, combining large-scale farming networks, modern, automated processing infrastructure, and rigorous food safety and quality assurance systems.

Over the years, IBF has expanded its international customer base while maintaining a strong focus on profitable and disciplined growth. The company supplies to quick-service restaurants and food-service distributors across India, South and far East Asia, West Asia, and Australia.

“We have spent years building IBF into a business that can compete on the global stage – investing in the right systems, talent and capital discipline, because we believe that is what it takes to win in this category,” said CEO Neel Kotak, adding that the company will leverage Advent’s global network and operational expertise to scale further.

The business is in the process of increasing its processing capacity significantly over the next 6 months with a new manufacturing facility in Gujarat, positioning IBF to further strengthen its presence across global markets, the company said in the statement.

Competitive landscape

In recent years, the global market for exported processed frozen potato products has grown steadily, although long-term success in the category continues to depend heavily on execution rigor, supply-chain reliability, product quality consistency and prudent capital allocation.

IBF directly competes with McCain Foods, Hyfun Foods, and Siddhi Vinayak Agri Processing in the processing sector. Others include Bikaji Foods, Haldiram’s, and Balaji Wafers, as per online reports. Some of these companies have also raised or are in the process of raising capital from private equity investors.

In FY25, IBF reported an operating income of ₹1,488.9 crore as compared to ₹1,186.06 crore, a year earlier. Its

net profit narrowed to ₹165.23 crore from ₹263.37 crore in FY24.

Aventus was the exclusive financial advisor to Iscon Balaji on this transaction.

Liberty Mutual Insurance raises stake in Indian venture

Liberty Mutual Insurance increased its stake in Liberty General Insurance to 74%, strengthening its presence in India’s non-life market. The move follows Liberty Mutual’s earlier increase in shareholding from 49% to 55.4% in September 2025.

Liberty General Insurance is a joint venture between Summit Asia Investments Holdings, a Liberty Mutual group company, and Enam Securities, which now holds the remaining 26% stake.

Foreign insurers have been consolidating ownership in Indian ventures after regulatory easing allowed higher foreign participation..

Liberty General, which began operations in 2013, has more than 1,300 employees and operates from over 95 locations. The insurer reported a 25% increase in gross written premium in FY26 to ₹2,814 crore.

Its market share stood at 0.84% at the end of March 2026.

British insurer Prudential to buy 75% in Bharti Life for Rs 3,500 crore

British insurer Prudential has agreed to acquire a 75% stake in Bharti Life Insurance for ₹3,500 crore to take management control of an Indian life insurance company for the first time.

Bharti Enterprises will pare its stake in the company to 25% from 85% while 360 One Asset Management will sell its entire 15% holding and exit the venture, the companies announced.

Regulatory approvals for the transaction are expected to require Prudential to reduce its shareholding in ICICI Prudential Life Insurance Company to below 10% from 22% now, the insurer said, adding that it is in discussions with regulators on the timeline and process for the divestment.

"India is a strategically important and exciting market for Prudential," said Anil Wadhvani, CEO of Prudential plc.

The insurer also has a 35% holding in ICICI Prudential Asset Management Company. Separately, it is also setting up a standalone health insurance venture in India with the HCL Group, with operations expected to commence in 2026 subject to regulatory approvals.

Prudential said the ₹3,500-crore transaction will be funded through existing resources, noting that the holding company had cash and short-term investments of \$4.3 billion, or about ₹41,280 crore, as of December 31, 2025, alongside a group leverage ratio of 13% and a free surplus ratio of 211%.

Part of the proceeds from any future divestment in ICICI Prudential Life could be used to support growth in the India business, the company said.

"This partnership opens new opportunities for Bharti Life's employees and further reinforces the strategic relationship between India and the United Kingdom," said Sunil Bharti Mittal, founder and chairman of Bharti Enterprises.

FMC to sell India business to Crystal Crop for \$252 million

US-based FMC Corporation, a global agricultural sciences company, said it has signed an agreement to sell its India commercial business to

IPO-bound Crystal Crop Protection Ltd, a crop solutions company in New Delhi, for about \$252 million.

"FMC's innovative portfolio, blockbuster brands and future pipeline give us an opportunity to provide Indian farmers access to innovative products," Crystal's chairman and managing director, Ankur Aggarwal, said in a statement. He added that the deal is aimed at accelerating innovation across both chemical and biological domains of crop protection.

FMC will continue to receive all cash generated from the ongoing operation of the India business until closing, primarily through monetization of working capital. The company intends to allocate all proceeds from the sale to reduce debt.

This comes less than a year after the US-based company in July announced its decision to divest its crop protection commercial business in India, enabling it to participate in the Indian market through a new go-to-market approach while deploying resources to its highest-growth opportunities globally.

IPO-ready

Through the transaction, Crystal Crop Protection will acquire FMC India's crop protection commercial operations, including a licence to FMC brands sold in India. The deal also includes a preferred supply agreement for select FMC active ingredients and formulations, along with preferred access to the company's crop protection pipeline in India, according to the statement.

"We look forward to supporting their (Crystal's) growth through our supply agreement," said Pierre Brondeau, FMC chairman, chief executive and president. He added that FMC remains committed to India and will continue to conduct global R&D activities and maintain global manufacturing operations in the country.

BofA Securities acted as exclusive financial adviser for FMC, while EY acted as exclusive buy-side M&A adviser to Crystal.

OUR SERVICES:

MERGERS & ACQUISITIONS

We provide tax & effective services from idea to integration of the Target with the Acquirer Company within unmatched Time frame.

Post Acquisition Integration

Shortlist Targets

Identify Preferred Target

Co-ordination with & Approval of...

hu with you
for all or any of
the Steps

Valuation

Termsheet / MoU Support

Deal Execution

Deal Negotiation & Deal Structuring

Due Diligence

- Creditors / Bankers
- Registrar of Companies
- Official Liquidator
- The Honorable High Court
- SEBI
- Stock Exchange
- Regional Director

STRESSED ASSETS MANAGEMENT

- Turnaround strategies
- Corporate Debt Restructuring
- Business Takeover
- Assist Banks and Financial Institutions for Stressed Assets Recovery.

FUND RAISING

- Equity placement
- Venture Capital Financing
- Long term and Working Capital Financing. (Including ECB's)
- IPOs advisory services

Strategic Advisory Services

- Market Expansion
- Internal Restructuring schemes
- Listing and Delisting of Securities
- Target Identification
- Advice on MIS Integration & HR aspects
- Entry /Exit Strategy

H U Consultancy have planned, executed and successfully implemented 250+ corporate advisory & restructuring assignments of which 180 were from Idea to Integration spreading across industries including listed corporations.

Pune Office

First Floor , Flat no 1, Matruchaya building,
Plot no 27, Mitramandal Colony, Parvati,
Pune 411 009
Telefax : +91 - 20 - 24420209
e-mail: corporate.pune@huconsultancy.com

Mumbai Office

52, JB House, Raghunath Dadaji Lane,
Beside Fountain Plaza Hotel, Borabazar Precinct,
Ballard Estate, Fort, Mumbai, Maharashtra - 400001
Tel-(022) 49711982
e-mail: corporate.mumbai@huconsultancy.com

Read M&A Critique on all devices our web-portal

www.mnacritique.com

The Ultimate Portal for Articles & Notes on

– M&A Deals

– Finance

– Strategy

– Business

– Legal & Regulators

– Premium content for decision markers

– FIPB

– Insolvency

– M&A Digest

– Daily Snapshot

– Deal impact

– M&A Happenings

And much more...

For portal details contact us at:

The screenshot displays the M&A Critique website interface. At the top, there's a navigation bar with 'Magazine', 'Subscribe', and 'Log In' options. The main header features the M&A Critique logo and a featured article titled 'Empire Strikes Again: Sun Pharma and Organon Strategic Merger Genesis' with a 'VIEW ALL' link. Below this, there are sections for 'Latest Free Post' and 'Latest in Premium Posts'. The 'Latest Free Post' section contains six article cards with titles like 'Supreme Court Quashes Bhushan Power & Steel Resolution Plan, Mandates Liquidation', 'Vadilal Industries: Post-Feud Restructuring and Consolidation...', 'Will Hindware's New Restructuring create Shareholder Value This Time?', 'M&M adding bus segment into its portfolio with acquisition of SML ISUZU...', 'Metropolis' acquisition of Hitech Healthcare via Voluntary Liquidation - A Unique Way', and 'Mukand Limited - Business Undertaking from its subsidiary demerged into holding company'. The 'Latest in Premium Posts' section shows three article cards: 'Empire Strikes Again: Sun Pharma and Organon...', 'Anupam Rasayan India Limited - the serial acquirer', and 'Man Industries' First International Acquisition'. Below these is an 'M & A Digest' section with three columns: 'National News', 'International News', and 'Cross Border News', each containing several short news items. At the bottom, there's a footer with 'Advertisement with us', 'Write for M&A Critique', 'Subscribe', 'Legal', 'FAQs', 'About', 'MEET OUR TEAM', 'Jobs', 'Contact Us', 'SiteMap', and a 'Follow Me' section with social media icons. A 'SUBSCRIBE TO OUR NEWSLETTER' form is also present.

Pune Office : First Floor, Flat no 1, Matruchaya building, Plot no 27 Mitramandal Colony,
Parvati, Pune 411 009. | Telefax: (020) 2951 0767