



Mergers and Acquisitions India

M&A Statistics – India (2016 – 2018)

- Deals value in 2018 reached a record high of \$110 billion in around 1250 transactions
- M&A transactions involving India has reached over \$90 billion in 2018

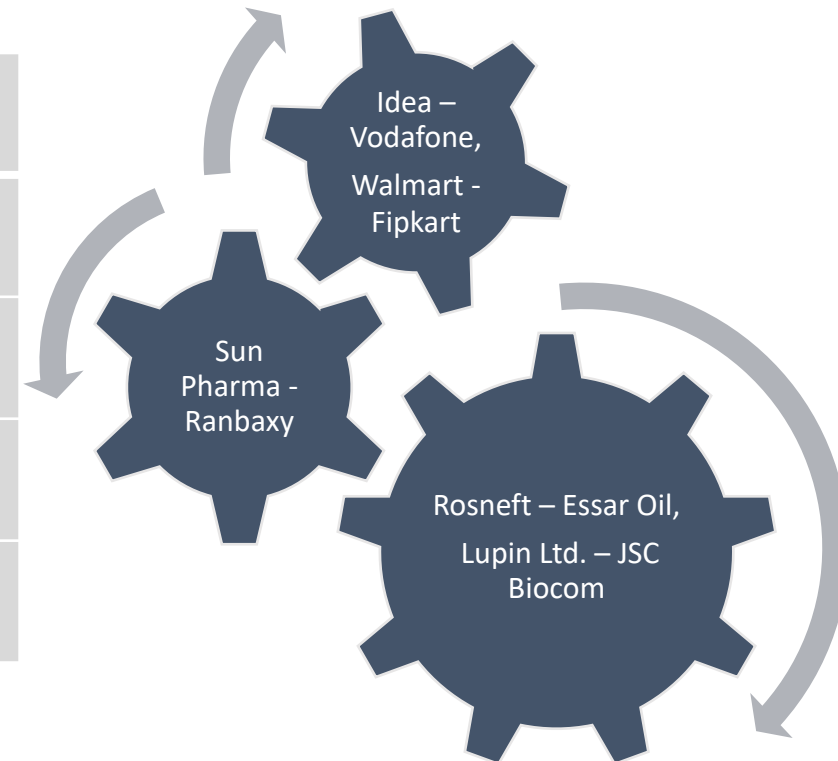
Deal summary	Volume			Value (\$mn)		
	2016	2017	2018	2016	2017	2018
Domestic	306	228	269	12,706	5,834	34,215
Cross-border	189	162	189	27,046	8,140	38,523
Internal mergers and restructuring	17	23	14	3,475	26,451	17,474
Total M&A	512	413	472	43,227	40,425	90,211
Private equity	972	736	786	13,930	20,495	20,450
Grand total	1,484	1,149	1,258	57,157	60,920	110,661
Cross-border Includes						
Inbound	90	86	100	20,754	5,962	25,741
Outbound	99	76	89	6,292	2,178	12,782

**Grant Thornton – Annual deal tracker 2019*

Market Trends

Large Deals - \$250 million and above (2015 – 2018)

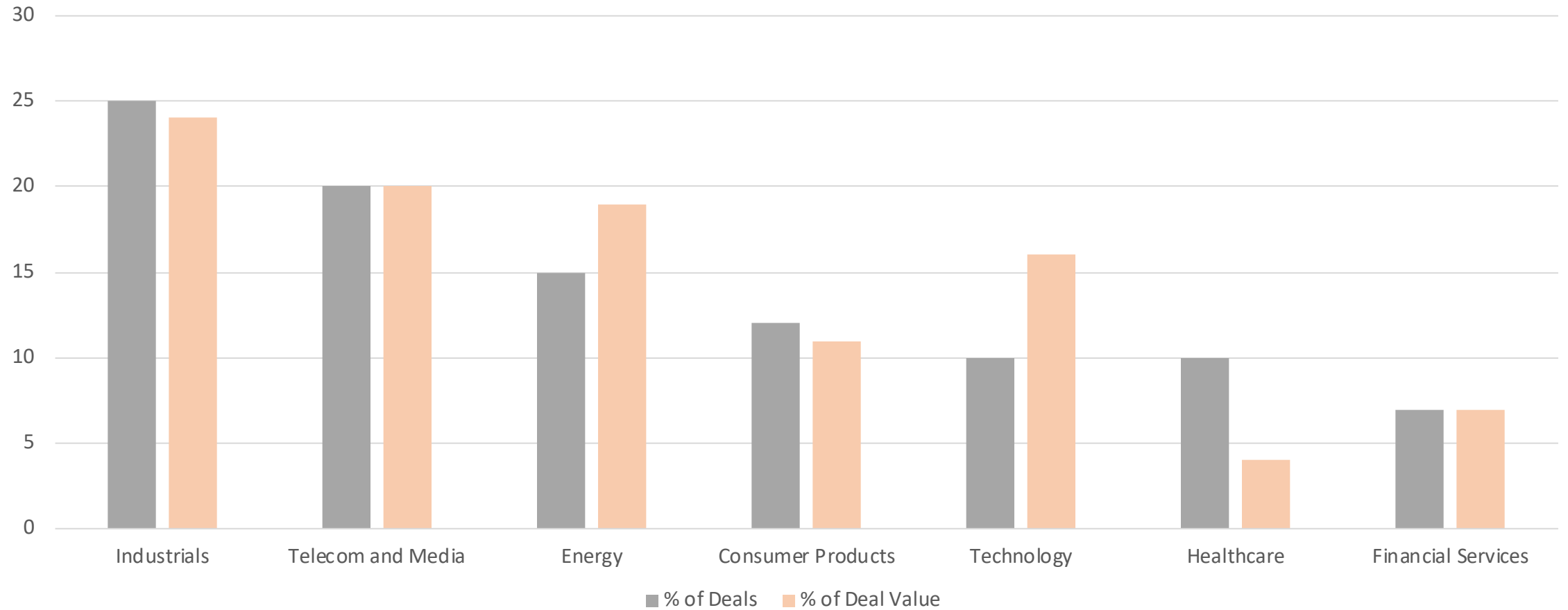
Year	Deal Value (\$B)	Deal Volumes	Average Deal Size
2015	8	11	0.7
2016	23	13	1.8
2017	24	9	2.7
2018	56*	21	2.6



* 23 Distressed Deals and 33 Non -Distressed Deals

M&A Industry Trends

Sector Wise Break Up



Classification of M&A Trends



SCOPE DEALS



CARVE-OUTS



DISTRESSED DEALS

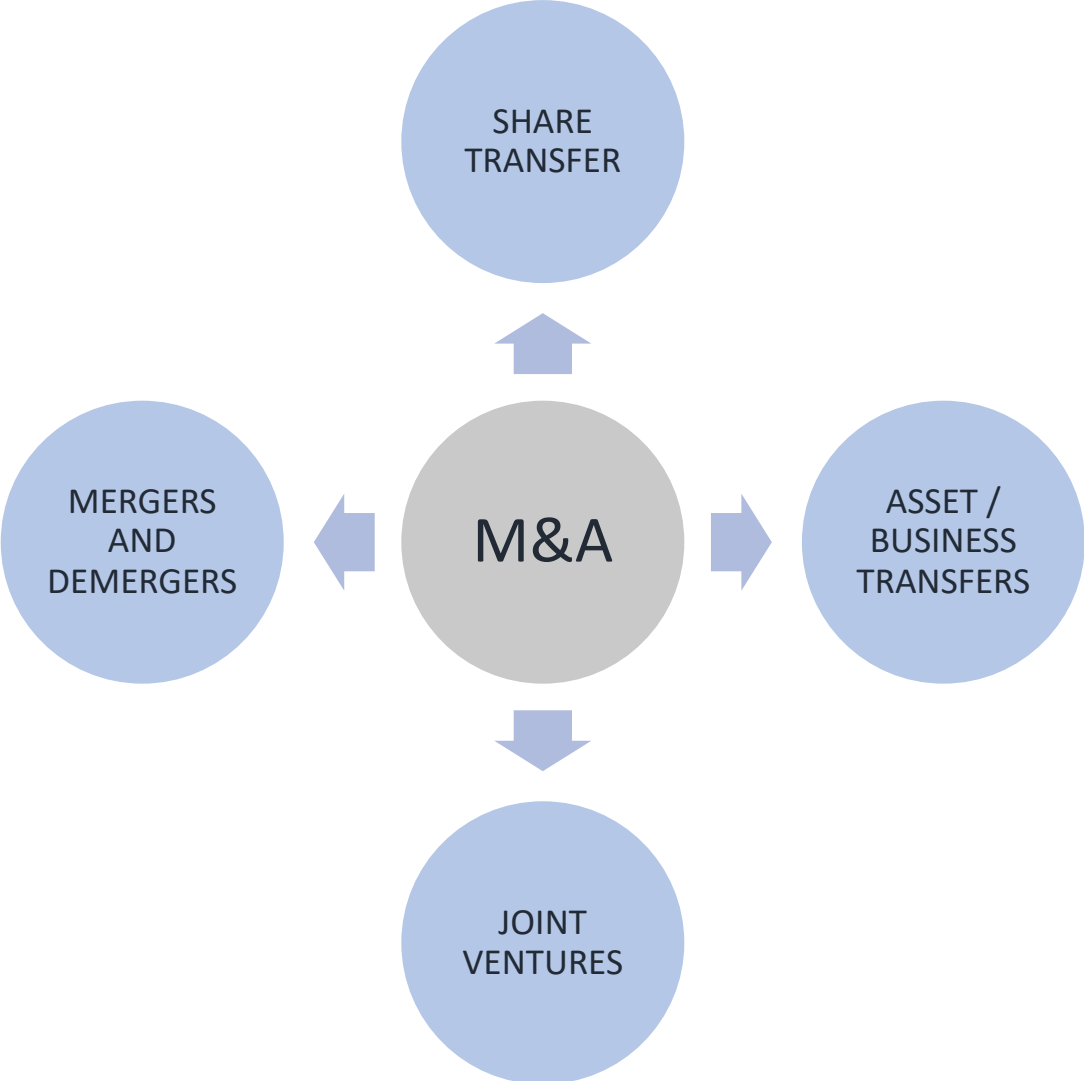


SCALE ACQUISITIONS



INDIA ENTRY

Kinds of M&A



REGULATORY FRAMEWORK



FDI REGULATIONS

SECTORAL CAPS

PRICING GUIDELINES

REPORTING

SECTOR SPECIFIC REQUIREMENTS

Takeover Code – SEBI

Mandatory Open Offer

- Initial Trigger: acquisition of 25% or more of voting rights or acquisition of control in the target company
- Offer size: At least 26% of the voting capital

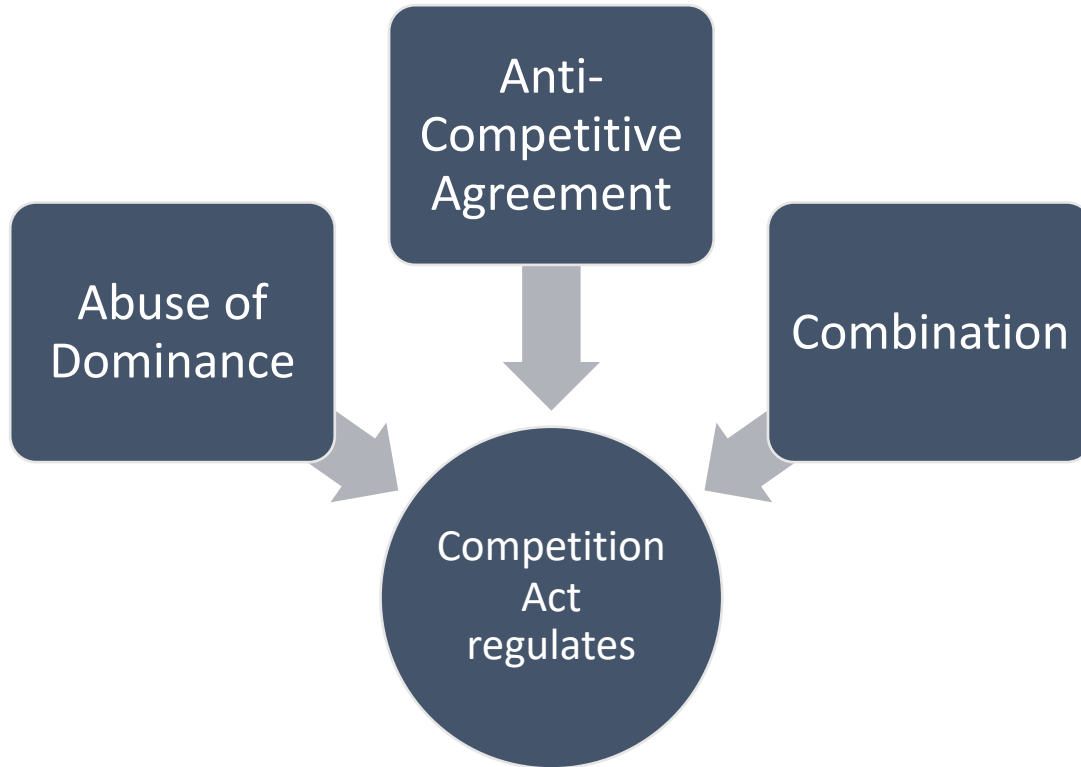
Creeping Acquisition

- Holding 25-75% in target company
- Additional 5% can be acquired in a financial year without triggering open offer

Voluntary Open Offer

- Prior holding between 25% - 75%
- No acquisition during 52 weeks without attracting open offer requirements
- Offer size: At least 10% of the voting capital

Competition Act, 2002

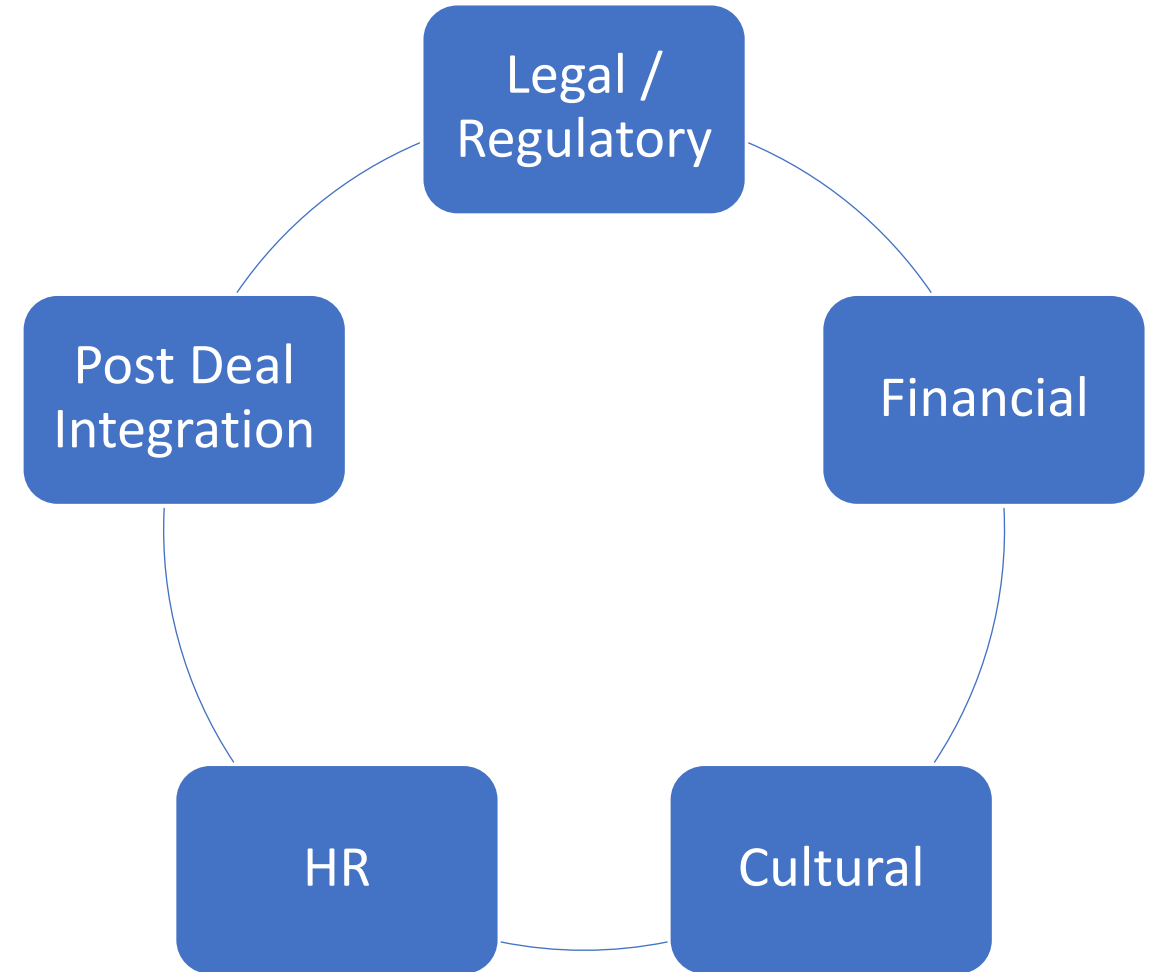


Financial thresholds for Combination				
		Assets		Turnover
Enterprise Level	India	>INR 2000 Crore		>INR 6000 Crore
	Worldwide (with India Component)	>USD 1 Billion With at least INR 1000 crore in India	OR	>USD 3 Billion with at least INR 3000 Crore
OR				
Group Level	India	>INR 8000 Crore		>INR 24000 Crore
	Worldwide with India Component)	> USD 4 Billion With at least INR 1000 crore in India	OR	>USD 12 Billion with at least INR 3000 Crore

Taxation

Capital Asset	Holding Criteria	STCG (approx.)	LTCG (approx.)
Immovable Property	24 months	Income tax slab rate (30% at the higher end)	20%
Movable Property	36 months	Income tax slab rate (30% at the higher end)	20%
Listed Shares	12 months	15%	Exempt
Equity Mutual Funds	12 months	15%	Exempt
Debt Mutual Funds	36 months	Income tax slab rate (30% at the higher end)	20%

Challenges





MUMBAI

201 Pinnacle
Corporate Park, BKC
Mumbai



BANGALORE

775, 3rd Floor, 100 ft.
Road, Indira Nagar, 2nd
Stage, Bangalore.



DELHI

World Trade Tower,
Barakhamba Road,
New Delhi.



KOCHI

Centre A, Alapatt
Heritage Building, MG
Road, Kochi.