

# Financial services, IT will be the most attractive for PE buyouts this year: Report

**Reuters**

Bengaluru/ New Delhi

Financial services and IT will be the most attractive sectors for private equity buyouts this year, the Head of the Indian Venture and Alternatene Capital Association told *Reuters* this week.

EY and IVCA data showed that this is a marked shift from 2024 when real estate and healthcare were the most sought-after sectors for PE buyouts with \$4.3 billion and \$2.9 billion worth of takeover deals completed respectively.

“When we come in and buy out a company, we don’t want to run the business ourselves. It is easier to do it in sectors like these, which are more service-oriented,” said Ashley Menezes, Operating Chief of PE firm



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ChrysCapital. India reported a 39 per cent jump in PE and venture capital buyouts to \$16.8 billion in 2024, according to a report by EY and IVCA.

The takeover of telecom tower operator ATC India by Brookfield for \$2.5 billion, the sale of packaging firm Manjushree Technopack to

US PE firm PAG for about \$1 billion, and Shriram Housing Finance’s sale to Warburg Pincus for \$555 million were among the top Indian buyouts last year.

## GEARING FOR IPOs

Menezes also said the current pattern of companies gearing up for initial public offerings is a positive for PE and VC firms. “Whether it is building up an independent board or just other corporate governance practices, (preparing for an IPO) just gears them to be a lot more attractive to a merger or a PE acquisition opportunity even if an IPO doesn’t happen.”

Indian IPO volumes were the highest globally in 2024. Data from Prime Database showed that 91 large firms went public on Indian exchanges last year, raising a record ₹1.6 lakh crore.