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Pharma & Healthcare deals in Q1 2025 shift focus to scalable, global models

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Investor interest in Indiaâ??s healthcare and pharmaceutical landscape remains resilient, with strong momentum in health tech



According to the Grant Thornton Bharat Pharma & Healthcare Dealtracker, Q1 2025 recorded 71 deals amounting to $2.6 billion, reflecting a slight 5% dip in volumes and a significant 69% drop in values compared to Q4 2024.

Despite the moderation in deal values, investor interest in the healthcare and pharmaceutical sector remains resilient. M&A activity contributed 57% of the total deal value, while private equity drove 59% of the overall volume.

Excluding IPOs and QIPs, the quarter saw 67 deals valued at $2.1 billion—a marginal 3% decline in volumes and a 70% drop in values, primarily due to the absence of the $5 billion Aster DM Healthcare–Quality Care India merger that skewed the previous quarter's numbers.

Adjusting for this outlier, Q1 2025 saw a 15% increase in deal values. On a year-on-year basis, volumes rose by 34% and values surged by 326%. The quarter also saw a rise in high-value deals (? $100 million), with six such transactions—double that of the previous quarter—indicating robust investor confidence and a continued appetite for scale investments.

The largest M&A deal of the quarter was Intas Pharmaceuticals' $558 million acquisition of Udenyca from Coherus Biosciences, accounting for nearly 27% of total sector values and signaling India's growing ambitions in the US biosimilars space. Sun Pharma's $355 million acquisition of Checkpoint Therapeutics further emphasized ongoing consolidation in oncology.

Private Equity (PE) activity remained concentrated in early-stage (? Series A) funding, with health tech leading the charge, followed by the wellness segment, particularly in sexual wellness and nutritional products. The top five PE deals accounted for 74% of total PE value, with the largest being Kotak Alternate Asset Managers' $121 million investment in Tirupati Medicare Pvt Ltd.

Q1 2025 saw three IPOs raising $503 million and one QIP worth $74 million, spanning hospitals, medical devices, and pharma.