

# Everstone offloads 25% stake in Restaurant Brands via block deals

Private equity and venture capital exits dominate the market so far in 2023

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Everstone Capital, promoter of Restaurant Brands Asia, has sold 25 per cent stake in the company for ₹1,494 crore to a slew of investors via block deals on Friday.

The private equity (PE) firm will retain a 15.44 per cent stake in the firm, which operates the Burger King brand in India. With Friday's transaction, Everstone has joined the club of several PE firms, which have exited their investments via block deals, taking advantage of the rising stock markets and investor appetite for quality stocks.

Data shows that PE and venture capital (VC) firms exited ₹57,338 crore worth of investments between January and August this year via block deals. This compares to ₹41,051 crore in the same period of 2022, according to data from Prime Database (see chart).

Some of the top exits include

Baring PE selling its 26.6 per cent stake in Coforge for ₹7,684 crore. Recently, China-based Alibaba group firm Antfin sold its stake worth ₹2,037 crore in Paytm, and Tiger Global sold its 1.44 per cent stake in Zomato for ₹1,124 crore via block deals.

"In terms of private equity investments, the best thing that's happened is that exits are much easier now. A lot of PE exits have happened through block deals. In the last two months, eight trades have taken place," said Manisha Girotra, chief executive officer (CEO) of Moelis India.

Bankers said as secondary markets stabilised and touched new highs, private equity investors and promoter sales via block deals have dominated the equity sell-down activity over the last two years.

"Many private equity investors have been enthused with success achieved through sell downs on the secondary markets. This opens up

sustainable alternative routes to exits through mergers and sale to other private equity investors," said a banker.

"We are witnessing financialisation of corporate India due to the avalanche of private capital coming into India. In the last 2-3 years, private equity investors have been taking control in listed companies in addition to investment in unlisted subsidiaries and private companies. Many of these private investments have seen exits at high valuations, thereby giving confidence around sustainability and depth of the Indian market," said S Ramesh, managing director (MD) & CEO, Kotak Investment Banking.

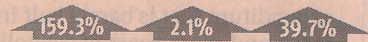
These investors continue to ideate and evaluate a number of investment opportunities, a reasonable proportion of which will likely result in new deals. "These sell downs would help improve liquidity, deepen equity markets and reduce impact costs," he said.

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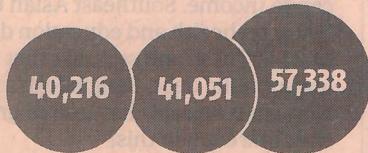
Bulk & block deals

Seller: PE/VC

Change  
(Y-o-Y)



Total  
(₹ crore)



	2021	2022	2023
January	178	237	1,160
February	654	847	6,370
March	4,394	13,410	10,537
April	391	4,882	1,479
May	7,051	303	4,070
June	12,819	593	19,448
July	1,159	602	212
August	13,570	20,177	14,062

Source : primebbdatabase.com