

Over ₹21,000 cr of sell-downs via block deals seen in 2024

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The momentum in sell-downs through block and bulk deals is continuing in the current year as well as sponsors, private equity firms and other investors are taking advantage of the periodic spikes in the markets to exit their holdings or cut exposure to stocks.

In just over a month in the calendar 2024, there have been sell-downs worth ₹21,158 crore, over a fifth of the total seen in the whole of 2023, which saw sell-downs worth ₹1.04-lakh crore (\$12.6 billion) through the block deal window. Sales through bulk deals worth ₹52,842 crore (around \$6.4

billion) have been reported this year so far, according to data provided to *businessline* by Prime Database. In 2023 sell-downs through bulk deals were even larger at a humongous ₹2.9-lakh crore.

According to the data provided, in FY24, year-to-date sales in shares through the block deal window have been to the tune of ₹1.02-lakh crore, compared with ₹1.9-lakh crore in FY23. There is still time till March 31 for more deals to take place. Bulk deals are seeing more action to the tune of ₹3.1-lakh crore this fiscal year compared with ₹1.5-lakh crore last fiscal year.

Block deals are executed in a separate window of the exchange, and these are trades with a value of ₹10 crore and

Cashing out

	Bulk deals (₹ cr)	Block deals (₹ cr)
Calender 2023	2,88,225.29	1,04,466.33
Calender 2024	52,842.28	21,157.56
FY23	1,50,962.13	1,87,267.47
FY24	3,05,494.63	1,02,165.25

Source: Prime Database

above. In a bulk deal, more than 0.5 per cent of the equity of the company should be transacted in a single trade and they take place on the normal exchange platform. The market usually tracks block deal data because this is the window taken by institutional investors and promoters to either increase or reduce their stake in companies in significant chunks and in most cases the amount is much larger than bulk deals.

KEY DEALS

One of the biggest deals this year so far has been Temasek Holdings selling its entire stake in **PB Fintech** for ₹2,425 crore, while there have been smaller deals such as Motilal Oswal Mutual fund selling some part of its stake in **Zomato** for ₹621.7 crore. A few FPIs also trimmed their exposure to **One97 Communications** in January. Recently, Kotak Investment Banking said investors are

taking advantage of the multiple exit avenues with open market operations and block deals gaining favour. It forecast that the trend would sustain and gain more momentum this year as well. Nuvama Research had pegged PE exits in 2023 at ₹97,500 crore. Indian equities had a very strong year in 2023 with benchmark indices rallying 20 per cent while small and mid-caps gained 50-60 per cent. This year, brokers and analysts are expecting the markets to perform even better.

Goldman Sachs, for example, pegged the Nifty50 at 23,500 by end-2024 implying a 9 per cent return in rupee terms. This will only spur further sell-downs during the year.