

\$32 billion worth shares may witness staggered monetisation by PE funds

IN FOCUS. Fintech, financial services, technology and new-age platform firms remain key exit pockets

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Private equity (PE) and venture capital (VC) investors sitting on nearly \$32 billion worth of holdings in listed Indian companies are increasingly favouring staggered exits amid volatile markets and valuation caution, even as the block deal pipeline remains strong.

The holdings are concentrated largely in consumer internet, fintech, financial services, technology and select new-age platform-led businesses as of May 2026, according to data from Kotak Institutional equities.

Some of the largest PE/VC holdings include about 53 per cent in Billionbrains Garage

Ventures valued at about \$6.53 billion and around 50 per cent in Lenskart worth about \$4.66 billion.

MAJOR HOLDINGS

PE/VC investors hold over 25 per cent in One 97 Communications valued at \$1.87 billion and 16.5 per cent in Swiggy worth about \$1.18 billion. Other companies with sizable PE ownership include Aadhar Housing Finance, IGI, PB Fintech and Urban Company.

While exits through block deals are expected to continue over the next 12-18 months, experts said investors are becoming more tactical about timing, pricing and the pace of monetisation.

"There is no clear stop in exits through block deals, but

High exposure

Substantial holdings in cos	M-cap	Holding (%)	Holding (\$ mn)
Groww	12,298	53.1	6,533
Lenskart	9,313	50.0	4,659
Hexaware Tech	3,284	74.3	2,440
Vishal Mega Mart	5,935	40.1	2,381
One 97 Communications	7,434	25.2	1,870

Source: Prime Infobase, Kotak Institutional Equities

there is a noticeable shift towards selectivity," said Abhishek Dadoo, Partner at Khaitan & Co. "The market still has capacity to absorb secondary supply, though investors are more discerning on price and likely future overhang."

"Sponsors also appear more valuation-sensitive at present," he said, adding that funds inclined to exit are deferring transactions if the

pricing is not adequate or if the broader market sentiment is weak. A phased approach allows investors to test demand, reduce price disruption and monetise over multiple windows rather than force a single large transaction into the market.

Bir Bahadur SSachar, Partner at JSA Advocates & Solicitors, said staggered sell-downs are being used to pre-

serve valuations and avoid excessive pressure on stocks where multiple investors are looking to monetise simultaneously. "Sponsors/investors are also mindful of the exchange rate fluctuation because, for foreign investors, a significant devaluation of Rupee also impacts their USD return on investments deployed."

"IPOs may have slowed down currently, but block deals activity will continue to be robust at least for the next 12 months," said Bhavesh Shah, MD and head of investment banking at Equirus Capital. In block deals, the market price is already available, reducing valuation negotiations that are needed in IPOs for price discovery, he said.