

Sell-downs via blocks rise sharply

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This fiscal year is turning out to be a spectacular one for block and bulk deals with sell-downs in the first quarter so far surging 76 per cent compared to the first quarter of FY24. The number of deals have also risen by 23 per cent.

In the first three months of FY25 so far, sell-downs via blocks to the tune of over ₹1.3 lakh crore have been seen from 3,396 deals, according to data sourced from Prime Database. The first quarter of last fiscal year saw sell-downs worth ₹74,811 crore. This month alone, so far, has seen sell-downs close to ₹73,000 crore, according to the data.

This is the third time in the last 11 months that sell-downs through blocks have crossed ₹70,000 crore in a single month.

In August 2023, the exchanges saw blocks worth ₹77,469 crore and then in December there was another surge with deals worth ₹78,786 crore being seen.

Quantum jump

Month	Bulk & Block Deals		
	No. of deals Deals	Buy amount Amount (₹ cr)	Sell amount Amount (₹ cr)
2023-24	16,758	3,88,863	5,25,964
2024-25			
April, 2024	1105	19,596	23,058
May, 2024	1167	26,281	35,779
June, 2024	1124	44,763	72,897

Source : primebdatabase.com

SIZEABLE BLOCKS

There were some sizeable blocks that happened in June such as Vodafone Plc selling 18 per cent stake in Indus Towers for \$1.8 billion, Wabco Asia selling stake in ZF Commercial Vehicle for nearly \$300 million, Fosun Pharma selling stake in Gland Pharma for over \$200 million, Blackstone selling over 15 per cent stake in Mphasis for over \$800 million, InterGlobe Aviation's promoter Rahul Bhatia selling stake in the airline for over \$400 million and others.

Market people are expecting block transactions this year (FY25) to exceed the levels seen in the past financial year.

In FY24 the markets saw

block transactions worth over \$63 billion as strategic investors with significant stakes monetised their holdings and promoters pared stakes with a view to either paying off debt or putting money into some other ventures. They took advantage of the surge in stock prices then and the same scenario is still playing out.

IndiGo Airlines' Bhatia, for instance, said that he sold stake in order to scale up his holding company's hospitality and other businesses. Vodafone Plc sold stake in Indus Towers to repay existing lenders. In March BAT Plc sold stake in its Indian arm ITC and said it would use the \$2 billion for its own share buyback programme.