



FY25 is expected to be very robust as companies will continue to garner capital for capex post-election results. ISTOCKPHOTO

Mkt sentiments aid QIP fund-raising to hit ₹78K cr in FY24

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Fuelled by improved market sentiments and robust underlying demand, fund-raising by issuing shares/units to institutional investors soared to ₹78,000 crore in 2023-24, a more than seven-fold surge year-on-year.

The 2024-25 fiscal could be very robust as companies will keep garnering capital for capex post-poll results.

“In an unprecedented era of economic development aided by pro-business reforms and macroeconomic stability, India is set to become the third largest economy globally by 2027 and will keep seeing strong flows. Against this backdrop, we expect FY25 to also be a strong year from a primary capital perspective as companies will continue to look to raise capital for capex post-election results,” Neha Agarwal, MD & head of equity capital markets at JM Financial Ltd, told PTI.

According to data compiled

by Prime Database, fund-raising through the QIP route reached ₹78,089 crore in 2023-24, which was way higher than ₹10,235 crore mopped up in the preceding financial year. This included fund mobilization by reits and infrastructure investment trusts (InvITs) through the QIP mode.

Before that, ₹28,532 crore was mobilized through the QIP route in 2021-22 and an all-time

high of ₹81,731 crore in 2020-21.

Of ₹78,089 crore collected in FY24, a total of ₹68,933 crore was raised by 55 companies through the route, remaining ₹9,156 crore was mopped

Of ₹78,089 crore collected in FY24, ₹68,933 crore was raised by 55 firms via QIPs, the rest mopped up by a reit, and 2 InvITs

up by one reit and two InvITs. Brookfield India Real Estate Trust garnered ₹2,305 crore through QIP, National Highways Infra Trust mopped up ₹6,181 crore and Grid Trust collected ₹669 crore through the route.

Market experts attributed the primary reason for the increase in QIP fund-raising to the market and investor sentiments that play an important role in their success.