As market sentiment improves, QIPs rebound

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The Adani group's ₹15,000-crore share sale is headlining a resurgence in qualified institutional placements (QIPs), with listed companies increasingly turning to the route as calmer markets following the end of the war in West Asia revive investor appetite.

QIP activity gathered pace in the second half of June as easing geopolitical tensions reduced market volatility and improved risk appetite. Ten companies raised a combined ₹16,990 crore during the month, making it the strongest month for QIP fundraising since December 2024 in terms of the number of issuances. In terms of the funds raised, June 2026 was the best month since July 2025.

On the rise

QIP activity in 2026

	No. of issues	Amount (₹ cr)
Jan	1	4,150.00
Feb	2	137
Mar	1	75
Apr	1	2,500
May	2	4,350
Jun	10	16,989.93
Jul*	1	15,000.00

*Until July 7
Source: PRIME Database

This marks a sharp turnaround from the January-May period, when no more than two QIPs were launched in any single month. Market volatility, driven by uncertainty over US trade tariffs and elevated crude oil prices due to the West Asia crisis, made equity fundraising difficult, particularly for small- and mid-cap companies, which account for a large share of QIP issuances.

Market sentiment has since improved, supported by a broad-based equity rally and a decline in oil prices.

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QIPs rebound as market sentiment revives

The latter followed a framework agreement between the US and Iran aimed at easing regional tensions. QIP, being an easily executable fundraising option, has aided this strong rebound.

And, unlike initial public offerings, QIPs are done in listed companies with a strong public record of their business model and valuations, making it easier for investors to take a call.

"The revival in QIPs during the second half of June was driven by a broader improvement in market sentiment," said Ambareesh Baliga, an independent equity analyst.

"Unlike the earlier rally, this one saw much wider participation across the market, giving management teams greater confidence in valuations. While liquidity had been available throughout, companies also needed to be comfortable with the prices at which they were raising capital," said Baliga.

Since the beginning of the financial year, the Nifty has gained 9.3 per cent, the Nifty Midcap 100 has risen 18.3 per cent, and the Nifty Smallcap 100 has surged 26.4 per cent. The total mcap of BSE-listed companies has increased 16.4 per cent to ₹480 trillion, adding ₹68 trillion in value.

Meanwhile, Brent crude has fallen 22 per cent since June 10, amid optimism that tensions in West Asia will ease, and is now trading around $73.1 per barrel. Pranjal Srivastava, partner, investment banking, at Centrum Capital, said markets had become less preoccupied with war-related uncertainty following the truce, creating a window for issuers to tap the market.

"As long as there is no major correction or spike in volatility, I expect the QIP market to remain active. Many companies are already preparing to raise capital, and with the current window remaining open, June through August should see a fair amount of fundraising activity."