

Share sales in focus: Firms rush to raise funds amid improving market sentiment

Bloomberg

Bankers expect more companies to tap the QIP market as they seek capital for expansion, acquisitions and debt reduction, while lenders look to strengthen their balance sheets.

Indian listed companies are ramping up equity offerings to institutional investors as ample liquidity and improving sentiment open a window for one of the fastest routes to raise funds.

About 170 companies have secured board approvals since April 1, the start of the financial year, to raise more than \$20 billion combined through share sales including qualified institutional placements, or QIPs, according to data from primedatabase.com. The pipeline underscores companies' efforts to capitalise on investor appetite and relatively supportive valuations.

QIPs to drive fundraise

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Among major deals in the pipeline, Axis Bank Ltd is planning a QIP of as much as ₹20,000 crore (\$2.1 billion), while Adani Power Ltd is looking to raise as much as ₹15,000 crore. Waaree Energies Ltd and IndusInd Bank Ltd have board approvals to raise as much as ₹10,000 crore each.

“Companies are raising capital alongside, or ahead of, the capex cycle and a QIP provides issuers with a proven way to raise capital quickly, diversify the shareholder base, and bring in new investors to support long-term growth,” said Ranvir Davda, Co-Head of Investment Banking, HSBC India.

So far this fiscal year, 28 companies have raised about ₹55,000 crore through QIPs, compared with ₹63,000 crore raised by 29 companies in the entire year ended March 2026, the data show. The pace suggests fundraising through the route could surpass the record tally of ₹1.32 lakh crore in the fiscal year ended March 2024, if market conditions remain favourable.

“With the fundraising window wide open, supported by ample liquidity and decent valuations, companies are rushing to tap the market to fund future growth or deleverage their balance sheets,” said Pranav Haldea, managing director of PRIME Database. “QIPs are one of the easiest and fastest and hence the most preferred route for companies to raise funds.”

Markets pick up

The surge adds to a broader pickup in India's equity capital markets, where strong domestic

institutional liquidity has helped companies execute large transactions despite periods of volatility in benchmark stock indexes. The depth of local demand has also given issuers greater confidence to accelerate fundraising plans.

According to Ranvir Davda, demand is coming through across consumer durables, autos and industrials. “Credit growth has picked up alongside it and capacity utilisation is at levels where the next phase of demand will require new capacity, not further sweating of existing lines,” he added.

QIPs allow listed companies to raise capital from institutional investors without going through the longer process associated with a public offering. The relatively quick execution, limited marketing requirements and ability to raise sizable amounts have made QIPs an increasingly attractive option for companies seeking to take advantage of favourable market windows.

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