

Suzlon to Launch QIP to Raise up to ₹2,000 cr

Floor price of ₹18.44 per share is at a discount of 5.7% to stock's last traded price

Our Bureau

Mumbai: Wind turbine maker Suzlon Energy on Wednesday said its board has approved launching a qualified institutional placement (QIP) offering to raise as much as ₹2,000 crore.

The company said in a stock exchange filing that it has fixed a floor price of ₹18.44 per share for the QIP, which is at a 5.7% discount to the stock's closing price of ₹19.56 per share on Wednesday on the BSE.

The company can offer a discount of up to 5% on the floor price to investors as per Sebi regulations. ICI-CL Securities is advising Suzlon on the fundraise.

ET first reported on August 2 that

Suzlon is set to launch its QIP this month, with an eye on using the capital to deleverage its balance sheet.

"The company is looking at a base offer of ₹1,500 crore and a green shoe option of ₹500 crore," said a source aware of the matter.

Debt repayment is the main aim of the QIP, the company said in its draft offer document filed with stock exchanges. As per the draft document, the company has earmarked ₹1,500 crore for repayment of certain outstanding borrowings.



The turbine maker founded by late Tulsii Tanti has gone through two rounds of debt restructuring in its lifetime, the latest one in 2020 when its lenders decided to restructure the company's over ₹13,000 crore debt.

From 2020, through the restructuring, promoter capital infusion and a rights issue, the company has brought down its gross debt to ₹1,806 crore as of 30 June 2023 and a positive consolidated net worth of ₹1,297 crore.