

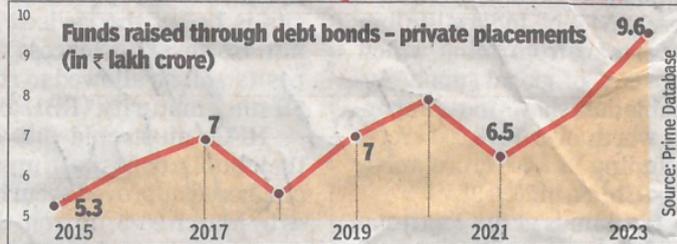
Cos raise record ₹9.6L cr from bonds through pvt route in '23

TIMES NEWS NETWORK

Mumbai: Indian corporates raised nearly Rs 9.6 lakh crore in 2023 through the issuance of corporate bonds — the highest-ever annual mobilisation from debt instruments. This was possible because of a surge in credit demand on the back of strong economic growth and constrained liquidity in the banking system, a report by Prime Database said. The debt refers to that raised through the private placement route.

The previous record debt mobilisation during a full year was in 2020, the year the pandemic struck the world and central banks across the globe pulled down interest rates to multi-year lows to support struggling economies. A large number of corporates, which were leveraged at

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the time, subsequently went on a borrowing spree at record-low interest rates and deleveraged themselves.

According to Prime Database, the highest mobilisation in 2023 was by financial institutions and banks combined, which was at Rs 4.7 lakh crore. Compared to the previous year's Rs 3.7 lakh crore, this was a 29% jump. "An increase in mobilisation was also witnessed by the private sector that jumped by 40% to Rs 4.5 lakh crore from Rs 3.2 lakh crore

in 2022," the report said.

In terms of individual issuers, the highest mobilisation through private placement of debt during the year was by HDFC that had raised Rs 74,062 crore, followed by NABARD at Rs 63,164 crore and PFC at Rs 52,575 crore. In 2023, the top five issuers together had raised Rs 2.9 lakh crore or 31% of total mobilisation. In comparison, in 2022, nearly Rs 2 lakh crore, or 26% of the total mobilisation was by the top five issuers.