

# Corp bonds catalyse record ₹9.6-trn mop-up

FE BUREAU  
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THE PREVIOUS CALENDAR year was a landmark one for fundraising via corporate bonds (on a private placement basis), with a record high of ₹9.58 trillion being mobilised by 920 institutions and corporates.

According to PRIME Database, this was a 26% jump from 2022.

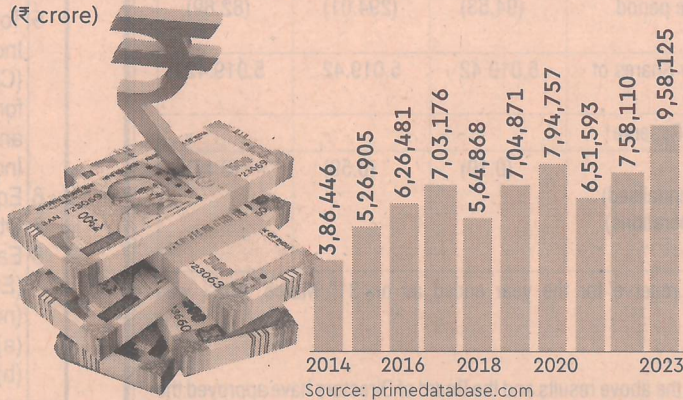
Pranav Haldea, managing director of PRIME Database Group, said a surge in credit demand, thanks to a strong economic growth and constrained liquidity in the banking system, triggered the jump.

The data consist of deals — both listed and unlisted — which have a tenure and put/call option of above 365 days, and for which the amount was available.

Based on the type of issuer, the highest mobilisation was by the financial institutions/banks category, at ₹4.72 trillion. This was in comparison to ₹3.66 trillion in 2022, an increase of 29%. A 40% boost in mobilisation was witnessed by the private sector (excluding

## Mobilisation through debt private placements

(₹ crore)



banks/financial institutions) to ₹4.45 trillion, compared with ₹3.19 trillion in 2022.

Meanwhile, government entities collectively mobilised 41% of the total mop-up. In 2022, their share was 38% of the overall pie. State-owned financial institutions and banks dominated with an 89% share.

The highest mobilisation through debt private placements

was by HDFC (₹74,062 crore), followed by NABARD (₹63,164 crore), PFC (₹52,575 crore), REC (₹51,354) and SBI (₹51,080 crore). The top five issuers in 2023 raised ₹2.92 trillion (31% of the total), in comparison to ₹1.96 trillion (or 26%) by the top five in 2022.

The year also saw 404 first-time issuers hitting the market, compared with 408 last year.

## ETF flows at a new high

NET INFLOWS into exchange traded funds (ETFs) tracking Indian stocks hit a record high in 2023, with analysts remaining optimistic that investors will continue to buy into the world's fastest-growing major economy even as keenly watched general elections loom. India-focused ETFs saw net inflows of \$8.6 billion last year, according to data by Morningstar Direct, beating the \$7.4 billion peak in net flows in 2021. Analysts see the trend continuing in the run-up to general elections due by May and beyond, with Prime Minister Narendra Modi expected to be re-elected for a rare third term. Investors are looking at India to diversify their emerging markets portfolios.

— REUTERS